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SAN FRANCISCO PORT COMMISSION

Leslie Katz, President
Willie Adams, Vice President
Kimberly Brandon, Commissioner
Doreen Woo Ho, Commissioner

Monique Moyer, Executive Director Amy Quesada, Commission Secretary
Phone: 415-274-0400; Fax 415-274-0412 Phone: 415-274-0406; Fax 415-274-0412

AGENDA

TUESDAY, OCTOBER 13, 2015
2:30 P.M. CLOSED SESSION
3:15 P.M. OPEN SESSION

PORT COMMISSION HEARING ROOM, SECOND FLOOR
FERRY BUILDING, SAN FRANCISCO CA 94111

The Port Commission Agenda as well as Staff Reports/Explanatory Documents available to the public and provided to the Port Commission are posted on the Port's Website at www.sfport.com. The agenda packet is also available at the Pier 1 Reception Desk. If any materials related to an item on this agenda have been distributed to the Port Commission after distribution of the agenda packet, those materials are available for public inspection at the Port Commission Secretary's Office located at Pier 1 during normal office hours.

1. CALL TO ORDER / ROLL CALL
2. APPROVAL OF MINUTES – September 22, 2015
3. PUBLIC COMMENT ON EXECUTIVE SESSION
4. EXECUTIVE SESSION

A. Vote on whether to hold closed session.

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTERS (Discussion Items):

- a. Discuss existing litigation matters pursuant to California Government Code Section 54956.9(a) and San Francisco Administrative Code Section 67.10(d):
 - Neighbors to Preserve the Waterfront; Friends of Golden Gateway; and San Franciscans for Reasonable Growth v. City and County of San Francisco; Planning Department of the City

10-13-15 AGENDA

GOVERNMENT
DOCUMENTS DEPT

OCT 13 2015

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and County of San Francisco; Port Commission of the City and County of San Francisco; Board of Supervisors of the City and County of San Francisco, et al. ; Superior Court of California, County of San Francisco (Case No. CPF 12-512356), filed July 23, 2012.

- Ferry Building Investors, LLC and Ferry Building Associates, LLC v. San Francisco Port Commission; City and County of San Francisco; Board of Supervisors of the City and County of San Francisco, et al. ; Superior Court of California, County of San Francisco (Case No. CPF 12-512355), filed July 20, 2012.
- Defend Our Waterfront v. California State Lands Commission; City and County of San Francisco; Port Commission of the City and County of San Francisco, et al. (Case No. CGC-12-512509; Appeal No. A141696), filed September 25, 2012.

(2) CONFERENCE WITH LEGAL COUNSEL AND REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. *This session is closed to any non-City/Port representative: (Discussion Items)

- a. Property: Pier 1, located at the Embarcadero & Washington Street
Person Negotiating: Port: Jay Edwards, Senior Property Manager, Real Estate Division
Negotiating Parties: AMB Pier One LLC: Steve Lueck, Senior Vice President, Prologis

Under Negotiations: ___ Price ___ Terms of Payment ☒ Both
The Port and AMB Pier One LLC are negotiating business terms for the Option to Extend the Pier One master lease between AMB Pier One LLC and the Port. In this executive session, the Port's negotiator seeks direction from the Port Commission on factors affecting the price and terms of the Option to Extend, including price and terms, including price structure, financing mechanisms and other factors affecting the form, manner and timing of payment of the consideration for the property interests. The executive session discussions will enhance the capacity of the Port Commission during its public deliberations and actions to set the price and payment terms that are most likely to maximize the benefits to the Port, the City and the People of the State of California.

5. RECONVENE IN OPEN SESSION

- A. Possible report on actions taken in closed session pursuant to Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12.

- B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12.

6. PLEDGE OF ALLEGIANCE

7. ANNOUNCEMENTS

- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.
- B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make pertinent public comments on each agenda item unless the Port Commission adopts a shorter period on any item.

8. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during Public Comment Period. A member of the public has up to three minutes to make pertinent public comments. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406. No Commission action can be taken on any matter raised during the public comment period for items not listed on the agenda other than to schedule the matter for a future agenda, refer the matter to staff for investigation or respond briefly to statements made or questions posed by members of the public. (Government Code Section 54954.2(a))

9. EXECUTIVE

- A. Executive Director's Report
- Port's El Niño Preparation for Winter 2015-16
 - Mission Rock Farmers' Market – September 27, 2015
 - San Francisco Fleet Week – October 5-12, 2015
 - Architectural Resources Group 35th Anniversary – October 22, 2015
 - Resignation of James Maloney, Maritime Marketing Manager, Cargo
- B. Presentation by the Mayor's Office of HOPE (Housing Opportunity, Partnerships & Engagement) on the City's homelessness issues.

- C. Port Commissioners' Report: Without discussion, at this time Commissioners may make announcements regarding various matters of interest to the Commissioner(s).

10. CONSENT

- A. Request approval for Port Executive Director to represent the Port of San Francisco as a Voting Delegate at the American Association of Port Authorities Annual Convention in Miami, Florida. (Resolution No. 15-35)
- B. Request approval of Revised Rules and Regulations, Harbor Berthing License Agreements, Fee Schedule and other Administrative Documents for South Beach Harbor. (Resolution No. 15-37)
- C. Request approval of: i) of the Crane Cove Park project; ii) to include \$8,695,000 in the fourth sale of 2008 Clean and Safe Neighborhood Parks General Obligation Bonds for the Crane Cove Park project; and iii) of adoption of California Environmental Quality Act Findings and a Mitigation Monitoring and Reporting Program in connection with the construction of Crane Cove Park project (located within the Pier 70 area and portions of Sea Wall Lot 345, east of Illinois Street between 19th and Mariposa Streets). (This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code.) (Resolution No. 15-38)

11. FINANCE AND ADMINISTRATION

- A. Informational presentation on the Port's Report on Contracting Activity for Fiscal Year 2014-15 (July 1, 2014 through June 30, 2015).
- B. Request approval of Fiscal Year 2015-16 Executive Director Salary. (Resolution No. 15-36)

12. ENGINEERING

- A. Informational update on the Earthquake Vulnerability Study of the Northern Waterfront Seawall.

13. MARITIME

- A. Informational presentation on the Port of San Francisco's Foreign Trade Zone No. 3 and overview of the U.S. Department of Commerce's Foreign-Trade Zones Program.

14. NEW BUSINESS

15. ADJOURNMENT

**FORWARD CALENDAR
(TARGETED COMMISSION MEETING, SUBJECT TO CHANGE)**

OCTOBER 27, 2015

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Presentation by San Francisco Municipal Transportation Commission on the Waterfront Transportation Assessment
2	Bayview Gateway	Action	Approval to select an artist as recommended by the San Francisco Arts Commission through the Art Enrichment program and approve Memorandum of Understanding between the Port and San Francisco Arts Commission for the use of Port property for the Bayview Gateway Art installation
3	Portwide	Action	Authorization to advertise for competitive bids for Construction Contract No. 2776, Five Year Maintenance Dredging Project

NOVEMBER 10, 2015

	FACILITY/POLICY	ITEM	TITLE
1	Pier 29	Informational and Action	Presentation and approval to issue Request for Proposals (RFP) for a Retail Leasing Opportunity at the Pier 29 Bulkhead Building, located at Chestnut Street and The Embarcadero
2	Portwide	Informational	Review of San Francisco Public Works request for proposals for Public Toilets and advertising Kiosks, several locations on Port property
3	Pier 70	Informational & Action	Presentation on the proposed Infrastructure Financing Plan (IFP) for Pier 70 Subarea G-1 (Pier 70 Historic Core) and approval of the Port-Controller Memorandum of Understanding to implement the Pier 70 Historic Core IFP
4	3rd Street & Cargo Way Triangle and Cargo Way	Action	Authorization to advertise for competitive bids for Construction Contract No. 2764, Quint Street Lead Reconstruction Project

DECEMBER 8, 2015 – Please note change of meeting location from Ferry Building to James R. Herman Cruise Terminal at Pier 27 for the December meeting

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Presentation on the Bay Area bike share program
2	Portwide	Informational	Presentation on the Port's 2015-2020 Strategic Plan
3	Pier 31½	Informational	Presentation regarding business terms with the National Park Service for a long-term Pier 31½

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			ferry embarkation site to Alcatraz Island
4	SWL 321, SWL 322-1, SWL 323/324, Piers 19½, 29½ and 23	Informational	Presentation on the results of the Request for Proposals for a three year lease with two one-year options to renew for three surface parking lots at: (i) Seawall Lot 321, bounded by the Embarcadero, Front Street and Green Street; (ii) Seawall Lot 322-1 bounded by Broadway Street, Front Street and Vallejo Street; and (iii) Seawall Lot 323/324 bounded by the Embarcadero, Broadway Street and Davis Street; (iv) interim parking in Pier 19½; (v) interim parking in Pier 29½; and (vi) interim parking in Pier 33.
5	Portwide	Action	Approval of the Operations Agreement with Chevron U.S.A. Inc. ("Chevron") granting Chevron renewed authority to operate its refinery site in Richmond, California, as a Foreign Trade Zone No. 3 subzone site for a term of five years, with three options to extend for five years each and outlining conditions for the operation of the subzone site
6	Portwide	Action	Approval of San Francisco Public Works vendors proposals for Public Toilets and advertising Kiosks, support for selection of vendor, affecting several locations on Port property

JANUARY 12, 2016

	FACILITY/POLICY	ITEM	TITLE
1	Seawall Lots 321, 322-1, 323/324, and Piers 19½, 29½, and 33	Action	Authorization to negotiate lease for a three year lease with two one-year options to renew for three surface parking lots at: (i) Seawall Lot 321, bounded by the Embarcadero, Front Street and Green Street; (ii) Seawall Lot 322-1 bounded by Broadway Street, Front Street and Vallejo Street; and (iii) Seawall Lot 323/324 bounded by the Embarcadero, Broadway Street and Davis Street; (iv) interim parking in Pier 19½; (v) interim parking in Pier 29½; and (vi) interim parking in Pier 33

DATE TO BE DETERMINED

	FACILITY/POLICY	ITEM	TITLE
1	Pier 70	Action	Authorization to advertise for competitive bids for Construction, Crane Cove Park Project Phase 1
2	Pier 94 and 96	Action	Authorization to advertise for competitive bids for Construction, Pier 94-96 Storm Drain and Outfall repairs
3	Loading Dock near Tulare Street	Action	Authorization to advertise for competitive bids for Construction, Copra Crane Refurbishment

4	Pier 35	Action	Authorization to advertise for competitive bids for Construction, Pier 35 Substructure Repairs
5	Pier 80	Action	Approval of Marine Terminal Agreement at Pier 80
6	Pier 31½	Action	Approval of business terms leading to a Memorandum of Understanding with the National Park Service for a long-term Pier 31½ ferry embarkation site to Alcatraz Island

**OCTOBER / NOVEMBER / DECEMBER 2015
CALENDAR OF UPCOMING PORT MEETINGS – OPEN TO THE PUBLIC**

DATE	TIME	GROUP	LOCATION
Oct. 27	2:00 PM Closed Session 3:15 PM Open Session	Port Commission	Port Commission Hearing Room/Ferry Bldg
Nov. 10	2:00 PM Closed Session 3:15 PM Open Session	Port Commission	Port Commission Hearing Room/Ferry Bldg
Dec. 8	2:00 PM Closed Session 3:15 PM Open Session	Port Commission	James R. Herman Cruise Terminal at Pier 27

NOTES:

The San Francisco Port Commission meets regularly on the second and fourth Tuesday of the month at 3:15 p.m., unless otherwise noticed. The Commission Agenda and staff reports are posted on the Port's Website @ www.sfport.com. Contact Amy Quesada at 274-0406 or amy.quesada@sfport.com

Full Commission meetings are replayed on San Francisco cable via SFGovTV2 and streamed on the Internet. Broadband service is recommended for access. The Port Commission is generally broadcast on SFGovTV2, cable channel 78 on the 2nd & 4th Thursday of the month at 9 p.m. SFGovTV archives include a recording of each meeting, an agenda with links to the specific portion of the meeting, a file containing all closed captions for the deaf from the meeting and an MP3 recording of the meeting. The Port Commission meetings can be viewed online at http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=92

The Fisherman's Wharf Waterfront Advisory Group (FWWAG) meets regularly on a bi-monthly basis, on the third Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf. Contact Rip Malloy @ 274-0267 or rip.malloy@sfport.com

The Maritime Commerce Advisory Committee (MCAC) meets every other month, on the third Thursday of the month, from 11:30 a.m. to 1:00 p.m. @ Pier 1. Contact Jim Maloney @ 274-0519 or jim.maloney@sfport.com

The Mission Bay Citizens Advisory Committee meets on the second Thursday of the month at 5:00 p.m. in the Creek Room at Mission Creek Senior Building located at 225 Berry Street in San Francisco (along the Promenade just beyond the library.) Contact Hilde Myall @ 749-2468 or hilde.myall@sfgov.org. For matters related to the proposed Golden State Warriors Event Center, the main contact is Adam Van de Water at MOED Adam.VandeWater@sfgov.org

The Northeast Waterfront Advisory Group (NEWAG) meets regularly on a bi-monthly basis on the first Wednesday of the month from 5:00 p.m. to 7:00 p.m. in the Bayside Conference Room @ Pier 1. Contact Diane Oshima @ 274-0545 or diane.oshima@sfport.com

The Central Waterfront Advisory Group (CWAG) meets monthly on an as-needed basis, generally on the third Wednesday of the month from 5 to 7 p.m. in the Bayside Conference Room at Pier 1. Contact Mark Paez @ 705-8674 or mark.paez@sfport.com

The Southern Waterfront Advisory Committee (SWAC) meets at the last Wednesday of the month as needed from 6:00 to 8:00 p.m. Location to be determined. Contact Kanya Dorland @ 274-0264 or kanya.dorland@sfport.com and/or David Beaupre @ 274-0539 or david.beaupre@sfport.com

The Waterfront Design Advisory Committee (WDAC) meets jointly with the Design Review Board of the Bay Conservation and Development Commission on the first Monday of the month at BCDC, 50 California Street, Rm. 2600, at 6:30 p.m. The Committee meets as needed on the fourth Monday of the month at 6:30 p.m. in the Bayside Conf. Rm. @ Pier 1. Contact Dan Hodapp @ 274-0625 or dan.hodapp@sfport.com

ACCESSIBLE MEETING INFORMATION POLICY

FERRY BUILDING:

The Port Commission Hearing Room is located on the second floor of the Ferry Building. The main public entrance is from the west (Embarcadero) side and is served by a bank of elevators adjacent to the historic staircase. Accessible public restrooms are on the first floor at the northeast end of the building as well as on the second floor across the lobby from the Port Commission Hearing Room. The main path of travel to the Port Commission Hearing Room is equipped with remote infrared signage (Talking Signs). The Port Commission Hearing Room is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) is available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market & Spear Streets. Accessible MUNI lines serving the Ferry Building area are the F-Line, 9, 31, 32 and 71. For more information about MUNI accessible services, call (415) 923-6142. The nearest accessible parking is provided in the following off-street pay lots: 3 spaces in the surface lot on the west side of the Embarcadero at Washington Street.

Hourly and valet parking is available in the Pier 3 lot. This lot is accessed through the Pier 3 bulkhead building entrance on the east side of the Embarcadero. This lot is located on the pier deck, adjacent to the ferry boat Santa Rosa. Additional covered accessible off-street pay parking is available in the Golden Gateway Garage, which is bounded by Washington, Clay, Drumm and Battery Streets. Entrance is on Clay St. between Battery and Front Streets. There is no high-top van parking. Metered street parking is available on the Embarcadero, Washington, Folsom & Drumm Streets.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

Disability Accommodations:

To request assistive listening devices, sign language interpreters, readers, large print agendas or other accommodations, please contact Wendy Proctor, Port's ADA Coordinator at (415) 274-0592 or via email at wendy.proctor@sfpport.com or Amy Quesada, Commission Secretary, at (415) 274-0405 or via email at amy.quesada@sfpport.com at least 72 hours in advance of the hearing. The Port's TTY number is (415) 274-0587.

Language Assistance

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NOTICES

Know Your Rights Under the Sunshine Ordinance:

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Sections 67.1 et seq. of the San Francisco Administrative Code) or to report a violation of the ordinance, contact Chris Rustom by mail: Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at (415) 554-7724; by fax at (415) 554-7854 or by email at sotf@sfgov.org. Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from Mr. Rustom or by printing Sections 67.1 et seq. of the San Francisco Administrative Code on the Internet, at <http://www.sfgov.org/sunshine>.

Prohibition of Ringing of Sound Producing Devices:

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic device.

Lobbyist Registration and Reporting Requirements:

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Campaign & Government Conduct Code Sections §2.100 – 2.160) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 30 Van Ness, Suite 3900, San Francisco, CA 94102, phone (415) 581-2300 or fax (415) 581-2317; web site: www.sfgov.org/ethics.

CEQA Appeal Rights under Chapter 31 of the San Francisco Administrative Code:

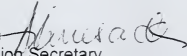
If the Commission approves an action identified by an exemption or negative declaration as the Approval Action (as defined in S.F. Administrative Code Chapter 31, as amended, Board of Supervisors Ordinance Number 161-13), then the CEQA decision prepared in support of that Approval Action is thereafter subject to appeal within the time frame specified in S.F. Administrative Code Section 31.16. Typically, an appeal must be filed within 30 calendar days of the Approval Action. For information on filing an appeal under Chapter 31, contact the Clerk of the Board of Supervisors at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102, or call (415) 554-5184. If the Department's Environmental Review Officer has deemed a project to be exempt from further environmental review, an exemption determination has been prepared and can be obtained on-line at <http://sf-planning.org/index.aspx?page=3447>. Under CEQA, in a later court challenge, a litigant may be limited to raising only those issues previously raised at a hearing on the project or in written correspondence delivered to the Board of Supervisors, Planning Commission, Planning Department or other City board, commission or department at, or prior to, such hearing, or as part of the appeal hearing process on the CEQA decision.



MEMORANDUM

October 8, 2015

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Doreen Woo Ho

FROM: Amy Quesada 
Port Commission Secretary

SUBJECT: Request approval for Port Executive Director to represent the Port of San Francisco as a Voting Delegate at the American Association of Port Authorities Annual Convention in Miami, Florida

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

Executive Summary:

Port staff requests that the Port Commission approve the Executive Director to represent the Port of San Francisco at the American Association of Port Authorities (AAPA) Annual Convention in Miami, Florida, on November 1-4, 2015. Our Executive Director will represent the Port at the Cruise, South Pacific Port Caucus and the Legislative Affairs Committee meetings and will cast the Port's vote at the General Meeting.

Background:

The 4-day long Annual Convention is AAPA's largest membership meeting of the year. The 2015 Convention will represent the 104th in AAPA's history. It includes technical and policy committee meetings, business sessions and social networking opportunities for port professionals and others in the marine transportation industry. This year, more than 500 attendees are expected, mainly senior and executive management personnel from port authorities and suppliers to the port and marine industries.

This annual convention will include a host of presenters from both the private and public sectors who will discuss the following relevant topics:

- Partnering to Optimize the Supply Chain
- Enhance Efficiency In and Around Your Port

THIS PRINT COVERS CALENDAR ITEM NO. 10A

- Maintaining/Regaining Community Support in Difficult Times
- Effective Communications and Environmental Stewardship
- Innovative Terminal Design and Utilizing Technology to Improve Productivity
- Seaports Deliver Prosperity/Raising Awareness of Ports' Economic and Social Value
- Infrastructure Needs vs. Fiscal Realities: How Do We Get There From Here?
- Connecting Your Freight to the Freight Network
- Strengthening Your Ports' Financial Stability through Diversification

This is also an opportune time for the Executive Director to meet with Port Directors around the country to compare notes and discuss Port operations, challenges and opportunities.

Recommendation:

Attached, for your approval, is a resolution authorizing Monique Moyer, Executive Director of the Port, to attend the annual meeting and vote on all motions and resolutions, on behalf of the Port of San Francisco. The cost of this trip is covered in the Port Commission's approved Fiscal Year 2015-2016 budget.

Prepared by: Amy Quesada
Port Commission Secretary

Prepared for: Monique Moyer
Executive Director

**PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 15-35

- WHEREAS, The Port is a member of the American Association of Port Authorities whose membership includes most public port authorities in the United States, Canada, Mexico, the Caribbean and South America, which hosts an annual convention; and
- WHEREAS, The 4-day long annual convention is AAPA's largest membership meeting of the year, which includes technical and policy committee meetings, business sessions and social networking opportunities for port professionals and others in the marine transportation industry; and
- WHEREAS, This year, the convention will feature a host of presenters from both the private and public sectors who will discuss relevant topics of significant value and interest to all attendees; and
- WHEREAS, Attending this convention will give the Port Executive Director an opportunity to meet with Port Directors around the country to compare notes and discuss Port operations, challenges and opportunities; and
- WHEREAS, The Port of San Francisco participates in the Cruise, South Pacific Port Caucus and the Legislative Affairs Committees and has a membership vote in the General Meeting; and
- WHEREAS, Port staff requests approval for Monique Moyer, Executive Director of the Port, to travel to Miami, Florida, to represent the Port of San Francisco and vote on all motions and resolutions at the American Association of Port Authorities Annual Convention on November 1-4, 2015; and
- WHEREAS, The cost of this trip is covered in the Port Commission's approved Fiscal Year 2015-2016 budget; now, therefore be it
- RESOLVED, That the Port Commission hereby approves this travel request.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 13, 2015.

Secretary





MEMORANDUM

October 8, 2015

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Doreen Woo Ho

FROM: Monique Moyer
Executive Director

SUBJECT: Request approval of Revised Rules and Regulations, Harbor Berthing License Agreements, a Fee Schedule and other Administrative Documents for South Beach Harbor

DIRECTOR'S RECOMMENDATION: Approved Attached Resolution

Executive Summary

At the September 22, 2015, Port Commission meeting staff made an informational presentation regarding proposed revised rules and regulations, harbor berthing license agreements, fee schedules and other administrative documents for South Beach harbor. The current rules and regulations at the Harbor have not been significantly changed or updated since the Harbor's opening in the late 1980's. The new rules are a result of a collaborative effort between Port staff and slip holders.

Since our presentation to the Port Commission, staff has distributed links of copies of all draft documents to South Beach slip holders and held a second public meeting at the Harbor on October 1, 2015 to hear and respond to any comments. As a result a few non-substantial questions were raised and clarifications requested, but the vast majority of comments were positive.

This memorandum is substantially the same as the September 22, 2015 staff memorandum, but requests Port Commission action on the Revised Rules and Regulations, Harbor Berthing License Agreement, a Fee Schedule and other Administrative Documents for South Beach Harbor. As such a Port Commission Resolution has been added. All other changes from the prior report are underlined.

THIS PRINT COVERS CALENDAR ITEM NO. 10B

Background

South Beach Harbor is a full service marina, consisting of 700 slips with concrete docks, a recreational and commercial Guest Dock, Pier 40 Maritime Center and South Beach Park. Located between Pier 40 and AT&T Park, ½ mile south of the Bay Bridge on the Embarcadero, South Beach Harbor enjoys access to great sailing and spectacular views of the City skyline.

South Beach Harbor was built in 1986 by the San Francisco Redevelopment Agency (SFRDA) on property leased from the Port of San Francisco. After the dissolution of the SFRDA, in July 2012, the Port assumed operational responsibility for the management of the 700 slip South Beach Harbor, Pier 40, Carmen's Restaurant, the Ship's Clerk's Association Building, the Harbor Services Building, which currently houses the harbor management office and South Beach Yacht Club, various parking facilities, and two long term development leases with Delancey Street and Steamboat Apartments.

In February 2015, the Port Commission approved a Memorandum of Agreement (MOA) to transfer SFRDA assets and operations on the aforementioned Port lands in the Rincon Point-South Beach Redevelopment Plan project area to the Port in a manner that is in the best interests of the Public Trust, the Port and the taxing entities. The Port is still awaiting the final transfer of responsibility for three California Division of Boating and Waterways (Cal Boating) loans totaling \$8 million which will represent the final administrative hurdle of the transfer. Implementation of the new rules and regulations as well as the new administrative processes will take place once this transfer takes place, hopefully before the end of 2015.

Since the Port of San Francisco assumed management control of South Beach Harbor, several steps have been taken to stabilize the financial situation as well as make security and property improvements. The Port has hired staff including a new Harbor Master, implemented new paperless invoicing and added new alarm and close circuit TV systems. We have begun to execute leases with current Pier 40 tenants, added new restrooms and improved the general cleanliness of the pier. Current dilapidated storage units are being replaced by new metal storage cages.

Port maintenance along with the Harbor staff have been working to repair a broken baffle wall that was allowing silt to reduce the water depth to unacceptable levels. Additionally, Harbor maintenance staff have replaced all important navigation lights with brighter, more energy efficient bulbs.

Staff is also working with long time tenant, the Bay Area Association of Disabled Sailors (BAADS) to enlarge their premises at Pier 40 to help support access to the Bay for the disabled community.

The current harbor administrative processes and current rules and regulations date back to the origins of the Harbor. Port and Harbor staff have been transitioning the administration processes of the harbor to reflect Port and City systems and policies. The Harbor's approximately nine staff members have transitioned from being employees of the then redevelopment agency and are now employed by the Port. In our

effort to seamlessly transition the harbor operation to Port administration and management processes, in consultation with the City Attorney's Office, Port staff has updated several of the SBH documents and license forms. These include:

- Harbor Rules and Regulations
- Harbor Berthing License Agreements
- Statements of Ownership (detailing slip holders' partnerships)
- Fee Schedule (detailing current berthing rates and other fees)
- Pier 40 Storage Locker agreement

Outreach

Port staff and the Harbormaster have worked with a slip holder association to harmonize the old rules to better reflect 2015 mandates and update insurance requirements. The Harbormaster hosts a monthly "South Beach Stakeholders" meeting on the first Thursday of most months the most recent being held on October 1, 2015 where the main focus of discussion was the new rules and regulations and other associated documentation. Staff has sent links to copies of the proposed documents to each slip holder and requested their comments.

Highlights

The new rules are evolutionary in nature as compared to the original regulations and basically clarify and update the past set of rules and regulations. Among many ministerial issues, the South Beach Harbor Rules and Regulations (see Attachment A hereto), enumerates the authorities of the Harbormaster, identifies allowable and prohibited activities within the harbor, proscribes how applications are made for berths and berths are assigned, licensed, transferred and terminated.

For example, several slips are occupied by boats that are owned by partnerships. The new rules clarify the number of partners allowed in each berthing agreement as well as sunset provisions and spousal rights. The new rules also mandate that vessels be sailed, as some boats at the harbor seldom, if ever, leave their slips. The proposed rules include provisions that vessels must be taken out of their slip at least ten times in a calendar year. This is a customary feature to ensure that berths, which are in short supply, are truly available to sailors who must have the water accessibility provided by the South Beach Harbor. Additionally insurance coverages have been reviewed by the City's Risk Manager and new policies limits have been updated and now represent the standards for other City marinas.

Conclusion

The Port and Harbor staffs continue to make improvements to the Harbor operation to best serve slip holders and other members of the South Beach Harbor community. The proposed update of the attached rules and regulations as well as an update of many of the administrative documents will continue the smooth transfer of the South Beach Harbor into the Port's maritime portfolio. Port staff request Port Commission approval of the attached resolution.

Prepared by: Joseph Monroe
Harbor Master

Denise Turner
Market Research Specialist

For: Peter Dailey
Deputy Director, Maritime

Attachments:

- A. New Harbor Rules and Regulations
- B. Berth License Agreements (5-year, transient and temporary)
- C. Statement of Ownership
- D. Fee Schedule
- E. Storage Locker Addendum

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 15-37

- WHEREAS, Charter Section B3.581 empowers the Port Commission with the power and duty to use, conduct operate, maintain, regulate and control the Port area of the City and County of San Francisco and further grants the Port Commission exclusive authority to approve the lease of Port lands and facilities and collect and retain the rents and other revenues from such leases; and
- WHEREAS, the Port of San Francisco, California's oldest public port, continues to have one of the most varied maritime business portfolios in the nation. Its 7½-mile waterfront is home to cruise and cargo shipping; ferries, excursion boats, and water taxis; tugs, barges, and harbor services; commercial fishing and recreational marinas; ship repair and railroad service; ready-reserve ships and labor union hiring halls; and
- WHEREAS, the Port of San Francisco has maritime assets that include 39 pile-supported pier structures, 80 substructures including marginal wharfs that connect these piers, 15 deep water berths, 245 commercial and industrial buildings, 9 seawall lots, over three miles of street and sidewalks and other assets such as drydocks, cargo cranes and railroad tracks and locomotives; and
- WHEREAS, the Port Commission seeks to promote, expand and enhance the Port's maritime facilities and uses; and
- WHEREAS, South Beach Harbor (SBH or the Harbor) is a full service marina, consisting of 700 slips with concrete docks, a recreational and commercial Guest Dock, Pier 40 Maritime Center and South Beach Park located between Pier 40 and AT&T Park, ½ mile south of the Bay Bridge on the Embarcadero, which enjoys access to great sailing and spectacular views of the City skyline; and
- WHEREAS, South Beach Harbor was built in 1986 by the San Francisco Redevelopment Agency (SFRA) on property leased from the Port of San Francisco; and
- WHEREAS, after the dissolution of the SFRDA, in July 2012, the Port assumed operational responsibility for the management of the South Beach Harbor, and Pier 40; and

- WHEREAS, since the Port of San Francisco assumed management control of the Harbor, several steps have been taken to stabilize the financial situation as well as make security and property improvements, and
- WHEREAS, the current Harbor administrative processes and rules and regulations date back to the origins of the Harbor and staff have been transitioning the administration processes of the Harbor to reflect Port and City systems and policies, and
- WHEREAS, as part of the effort to transition the Harbor operation to Port administration and management processes, in consultation with the City Attorney's Office, Harbor and Port staff have updated the rules and regulations of the Harbor along with the SBH license and other forms, and; now, therefore be it
- RESOLVED, that the San Francisco Port Commission hereby approves the Harbor Rules and Regulations, Harbor Berthing License Agreement Forms, Fee Schedule and other administrative documents for South Beach Harbor as described in the Memorandum dated October 8, 2015 and authorizes Port staff, including the Harbormaster, to enter into individual licenses on the approved forms, enforce the Rules and Regulations and manage the Harbor; and be it further
- RESOLVED, that the Port Commission authorizes the Executive Director or her designee to make additions, amendments or other modifications to these documents, in consultation with the City Attorney's Office, that she determines are in the best interest of the Port, do not materially increase the obligations or liabilities of the City or Port or materially decrease the benefits to the City or Port and that are necessary to effectuate the purpose and intent of this Resolution.

I hereby certify that the forgoing resolution was adopted by the San Francisco Port Commission at its meeting of October 13, 2015.

Secretary



SAN FRANCISCO PORT COMMISSION
SOUTH BEACH HARBOR RULES AND REGULATIONS

MONIQUE MOYER
EXECUTIVE DIRECTOR

EFFECTIVE JANUARY 1, 2016
PORT COMMISSION RESOLUTION NO. XX

LESLIE KATZ, PRESIDENT
WILLIE ADAMS, VICE PRESIDENT
KIMBERLY BRANDON, COMMISSIONER
DOREEN WOO HO, COMMISSIONER



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SOUTH BEACH HARBOR RULES AND REGULATIONS

1. DEFINITIONS

Whenever any of the following words are used in these Rules and Regulations or in a License agreement or permit, they mean the following:

“**Berth**” or “**Berths**” means a berth, slip or mooring in the South Beach Harbor including an assigned dock box within the Harbor. The word “berthing” shall be construed accordingly.

“**charter vessel**” means any vessel carrying passengers for hire.

“**City**” means the City and County of San Francisco.

“**Commission**” means the San Francisco Port Commission.

“**day**” or “**days**” means calendar days.

“**Fee**” means any fee or charge listed on the Fee Schedule.

“**Fee Schedule**” means the schedule of Fees, rates and charges adopted by the Commission and amended from time to time.

“**habitual late payer**” means an Owner that has not timely paid berthing Fees three (3) times in a three (3) year period.

“**Harbor**” means South Beach Harbor at Pier 40 and all facilities and improvements therein and entrances thereto including without limitation, the Pier 40 shed building and parking areas.

“**Harbormaster**” means the Harbormaster of the South Beach Harbor as appointed by the Port Maritime Director.

“**Hot Work**” means any activity generating a naked flame, spark or hot gas, and includes the use of BBQs and other cooking apparatus on the deck of a vessel.

“**Invitees**” means all crew, visitors, guests, agents, contractors, employees, hired personnel and other invitees while at the Harbor.

“**Laws**” means any present or future law, ordinance, judicial decision, rule, regulation or requirement of any federal, state, local or regional governmental entity with jurisdiction over the Harbor or activities therein. “**Laws**” includes the requirements of the San Francisco Port Code as to the South Beach Harbor Public Access Pier and South Beach Park.

“**License**” means the agreement under which an Owner is granted the right for a vessel to use a berth in the Harbor.

“**Licensee**” means the individual named in a License.

“**Maritime Director**” means the Deputy Director, Maritime, of the Port of San Francisco.

“**Minimally toxic cleaning materials**” means any substance or mixture of substances that has an acute aquatic toxicity value corresponding to a concentration greater than 10 parts per million and does not produce byproducts with an acute toxicity value less than 10 parts per million.

“**Minimize**” means to reduce and/or eliminate to the extent achievable using control measures (including best management practices) that are technologically available and economically practicable and achievable in light of best marine practice.

“**Owner**” means the registered owner of a vessel and shall include a Licensee when such Owner has a License and a Partnership and each member thereof when such Partnership owns a vessel.

“**Partnership**” means a general or limited partnership, limited liability company, corporation, joint venture or other such legal entity.

Date		Description		Amount	
1890	Jan 1	Balance		100.00	
	Feb 1	Interest		5.00	
	Mar 1	Interest		5.00	
	Apr 1	Interest		5.00	
	May 1	Interest		5.00	
	Jun 1	Interest		5.00	
	Jul 1	Interest		5.00	
	Aug 1	Interest		5.00	
	Sep 1	Interest		5.00	
	Oct 1	Interest		5.00	
	Nov 1	Interest		5.00	
	Dec 1	Interest		5.00	
1891	Jan 1	Balance		100.00	
	Feb 1	Interest		5.00	
	Mar 1	Interest		5.00	
	Apr 1	Interest		5.00	
	May 1	Interest		5.00	
	Jun 1	Interest		5.00	
	Jul 1	Interest		5.00	
	Aug 1	Interest		5.00	
	Sep 1	Interest		5.00	
	Oct 1	Interest		5.00	
	Nov 1	Interest		5.00	
	Dec 1	Interest		5.00	
1892	Jan 1	Balance		100.00	
	Feb 1	Interest		5.00	
	Mar 1	Interest		5.00	
	Apr 1	Interest		5.00	
	May 1	Interest		5.00	
	Jun 1	Interest		5.00	
	Jul 1	Interest		5.00	
	Aug 1	Interest		5.00	
	Sep 1	Interest		5.00	
	Oct 1	Interest		5.00	
	Nov 1	Interest		5.00	
	Dec 1	Interest		5.00	
1893	Jan 1	Balance		100.00	
	Feb 1	Interest		5.00	
	Mar 1	Interest		5.00	
	Apr 1	Interest		5.00	
	May 1	Interest		5.00	
	Jun 1	Interest		5.00	
	Jul 1	Interest		5.00	
	Aug 1	Interest		5.00	
	Sep 1	Interest		5.00	
	Oct 1	Interest		5.00	
	Nov 1	Interest		5.00	
	Dec 1	Interest		5.00	

“**person**” means any person, including an Owner, using the Harbor.

“**Phosphate-free**” means cleaning materials that contain, by weight, 0.5 percent or less of phosphates or derivatives of phosphates.

“**Port**” means the Port of San Francisco.

“**Temporary**” shall mean a person berthing a vessel at the Harbor for a maximum period of six (6) months.

“**Transfer**” means to or attempt to give, sell, sublease, assign, transfer or otherwise permanently or temporarily voluntarily or involuntarily relinquish a right to use a berth including a Transfer of an ownership right in a vessel if the use of the berth is part of the Transfer.

“**Transfer Fee**” means the Fee charged to transfer a License as set forth in the Fee Schedule.

“**Transient**” shall mean a person berthing a vessel at the Harbor for a period of fourteen (14) consecutive days or less.

“**USCG**” means the United States Coast Guard.

“**vessel**” means any vessel or watercraft in, entering or departing the Harbor.

2. APPLICABILITY OF RULES AND REGULATIONS

These Rules and Regulations apply to all persons entering and using the Harbor, including without limitation all Licensees, Owners, and their Invitees.

In the event of any conflict or inconsistency between the Rules and Regulations and the terms and conditions of a License, the License will control.

Port reserves the right at any time and from time to time to change or rescind any one or more or all of these Rules and Regulations or to make such other and further Rules and Regulations as the Port determines are in the best interest of the Port, the environment and or the Harbor. Such revised or new rules shall be binding upon all users of the Harbor.

3. HARBORMASTER AUTHORITY

A. The Harbormaster shall have full authority to operate the Harbor and to interpret and enforce these Rules and Regulations, as amended from time to time by Port. Violation of these Rules and Regulations may be cause for removal of persons, vessels or vehicles from the Harbor, revoking or terminating a License, parking permit or other authorization or taking other actions determined to be necessary or appropriate by the Harbormaster. Unless otherwise specified in these Rules and Regulations, all actions of the Harbormaster shall be in his or her sole discretion.

B. Every person, vessel and vehicle entering the Harbor shall immediately become subject to the authority and direction of the Harbormaster. The Harbormaster shall have the right to board any vessel in the Harbor for the purpose of administering and enforcing these Rules and Regulations.

C. The Harbormaster may board, enter, move or carry out emergency work on a vessel for safety or operational reasons without prior notice and at the Owner's expense. If Harbor personnel must perform such services after-hours, the after-hours services rates will apply.

D. The Harbormaster shall have the right to refuse entry into the Harbor of any vessel which in the Harbormaster's opinion is derelict, unseaworthy and/or of inappropriate size. Every vessel shall be berthed in the space assigned by the Harbormaster.

E. The Harbormaster shall have the right to reassign berths when there is a vacancy to obtain optimum utilization of Harbor facilities or to accommodate new or existing Licensees including Transient and Temporary Licensees that are in good standing and desire to relocate within the Harbor.

THE UNIVERSITY OF CHICAGO

PHILosophy 101

Section 101-1

Professor [Name]

Section 101-2

Section 101-3

Section 101-4

Section 101-5

Section 101-6

Section 101-7

Section 101-8

Section 101-9

Section 101-10

F. The Harbormaster shall have the right to move or cause to be moved any vessel to (1) ensure the proper operation, maintenance and repair of the Harbor; (2) as required for the safety and protection of persons or property; and (3) temporarily for a special event, such as a vessel show. If practicable, the Harbormaster will provide notice before moving a vessel.

G. The Harbormaster shall have the right, at Owner's expense, to secure, move or remove any vessel that is in violation of a License or these Rules and Regulations and the Owner has failed to cure the default during the cure period, if any. If practicable, the Harbormaster will provide notice before moving a vessel.

H. Each Owner hereby appoints the Harbormaster as his or her agent for designating a place of storage and safekeeping at the Owner's expense in the event that the Harbormaster moves the vessel to a location outside of the Harbor. The cost of removal and transportation to and from the storage facility shall be paid by Owner.

I. If at any time the Harbor is so badly damaged or affected by an event beyond the Port's reasonable control such that the Harbor can no longer provide berthing or other services, the Harbormaster shall have the right to terminate a license or other permission to use the Harbor and cancel services by providing reasonable notice.

4. GENERAL CONDITIONS; RELEASE

A. All persons enter and use the Harbor at their own risk and in doing so acknowledge and accept these Rules and Regulations.

B. Port shall not be liable for any death, injury, theft, loss or damage, including to vehicles or vessels, arising from a person's use of the Harbor. Port assumes no risk on account of fire, acts of nature, conditions of the sea, theft, or damages of any kind to vessels or vehicles using the Harbor.

C. Port is not under any general duty to provide a safety, weather, or security watch for the benefit of any person, vessel or vehicle and any liability or responsibility of Port for these contingencies is expressly released and waived by the users of the Harbor.

D. Port shall not be liable for claims relating to lack of or inadequate security, including for Port's own negligence, even in the event that Port provides some security services. Port does not warrant that unauthorized persons will not board vessels in the Harbor.

E. As a condition of using the Harbor, all persons entering the Harbor waive any and all claims against the City and Port arising from his or her use of the Harbor for any cause arising at any time, including without limitation all claims arising from the joint or concurrent, active or passive, negligence of the City or Port, but excluding any intentionally harmful acts committed solely by Port or City. Neither the Port, City, nor any of its officers or employees shall be liable and Owner waives all claims for damage to persons and/or property sustained by an Owner resulting from the movement of his/her vessel.

5. GENERAL PROHIBITED ACTIVITIES

Unauthorized berthing in the Harbor is prohibited.

No person shall bring into or berth within the Harbor any vessel of any kind whatsoever which is so unseaworthy or in such a badly deteriorated condition that it may cause damage to docks, floats or other vessels or which may become a menace to navigation. The Harbormaster shall determine the seaworthiness of the vessel.



Except for entering the water to clean or maintain the bottom of a vessel or for purposes of water safety training with advance notice to the Harbormaster, no person may swim, bathe, or wade in any portion of the Harbor.

Fishing, crabbing, and the cleaning of fish on the gangplanks, docks and floats is strictly prohibited within the Harbor. All fish caught outside the Harbor must be disposed of within twenty-four (24) hours from the time of catching. No person shall throw fish overboard at the dock or from a vessel within the Harbor.

Hot Work is strictly prohibited. Grills and other cooking equipment are prohibited on dock surfaces.

Spray painting is strictly prohibited.

Except for Transients, no person may live aboard any vessel berthed in the Harbor. This prohibition shall not prevent the use of vessels in the Harbor for eating and sleeping purposes for a period not to exceed three (3) calendar days in any one week period or a maximum total of seven (7) calendar days in any thirty (30) calendar day period, provided that the Owner give the Harbormaster prior notice.

The discharge of any sewage into the waters of the Harbor is prohibited. No person shall operate or berth in the Harbor any vessel equipped with a toilet unless such toilet is sealed or otherwise rendered inoperable or designed so that no human excreta can be discharged into the waters of the Harbor.

No person shall throw, discharge or deposit from any vessel or from the shore or float any refuse matter of any kind whatsoever into or upon the waters of the Harbor, or in, on or upon the banks, walls, sidewalks, or beaches of any waters within the boundaries of the Harbor area. All garbage, recycling and composting must be deposited in receptacles furnished by the Port for that purpose or removed from the Harbor area.

No person shall dump or discharge oil, spirits, inflammable liquid, or the contents of holding tanks, or contaminated bilge water into the Harbor.

Solicitation of patronage in the Harbor is prohibited. No person shall row, propel, navigate or maintain any boat or float in the Harbor for the purpose of advertising.

No person shall roller skate, skateboard, or ride motorcycles on the docks and gangways within the Harbor.

No person shall operate a commercial or business activity, including a hotel "Bed & Breakfast" "Air BnB" or similar facility or a charter service, unless the Port has first granted approval in writing through a lease or other agreement.

6. APPLICATION; LICENSE; BERTHING ASSIGNMENT

A. Owners are responsible for ensuring accurate and current information in the application and license process. The address for the Owner shown in the Statement of Ownership or License will be the legal point of contact for all official communications. Owner must notify the Harbormaster in writing immediately upon a change in address. Invoices, notices of violation, Wait List notifications about available berths and other information will be sent to this address by certified mail with a return receipt requested. Owner is required to provide an electronic mailing address as a secondary point of contact. It is the Owner's responsibility to ensure accuracy of records on file in a timely manner. The Port is not responsible for lost or misdirected mail due to incorrect information.

B. Berthing slips are classified by size. There are three classes of licenses in the Harbor:

(1). Berthing license for a term of five (5) years, which shall expire if not renewed in accordance with the terms of the License.

(2). Transient berthing license for a maximum term of up to fourteen (14) days.

(3). Temporary berthing license for a maximum term of up to six (6) months.

The Harbormaster may use vacant berths and other Harbor facilities with temporarily suspended Licenses for Transient and Temporary berth assignments. No more than thirty berths of the Harbor, excluding temporary suspensions, shall be used for Transient and Temporary berthing.

C. License Required. No person shall berth a vessel in the Harbor without having secured a License. Only an individual natural person who provides proof of ownership of the vessel on a Statement of Ownership form provided by the Harbormaster shall be eligible for a License. The Statement of Ownership shall name the spouse or registered domestic partner of an individual owner and multiple owners as detailed below. Unless otherwise allowed by the Harbormaster, each individual may only have one (1) License.

D. Requesting a License. Applications for berthing in the Harbor shall be made to the Harbormaster on a form furnished by the Harbormaster. Applications may be granted or denied in the Harbormaster's discretion.

E. Multiple Owners; Partnerships.

(1) No License will be issued in the name of a Partnership. A License for a vessel which is owned by a Partnership will be issued only to an individual natural person whose interest in the vessel (whether by virtue of an interest in the Partnership, ownership of stock of a corporation, or otherwise) is documented to the satisfaction of the Harbormaster. An application for a License for a vessel which is owned by a Partnership shall include a Statement of Ownership designating the preferred individual to be named on the License (subject to the Harbormaster's approval), list all other individual Owners with an interest in the vessel and must be signed by all persons listed on the Statement of Ownership. A copy of the Partnership agreement must be submitted with the Statement of Ownership. The individual named on the License should remain actively involved with the vessel, be the agent for the Partnership in all dealings with the Harbor, receive and pay all billings and sign all agreements on behalf of the Partnership. However, each Owner shall be jointly and severally liable to Port for all obligations and liabilities under a License. No more than three (3) individual natural persons can be listed on the Statement of Ownership (including the preferred Licensee).

Exception: A Partnership that can document that it has four (4) individual natural partners at the time these Rules and Regulations were first adopted may include the four (4) partners on a Statement of Ownership, but, if for any reason the fourth partner leaves the Partnership, he or she cannot be replaced and the Partnership will be limited to three (3) individuals.

(2) New bona fide partners may be added to the Statement of Ownership (up to 3 including the Licensee) with the prior consent of the Harbormaster and a copy of the Partnership agreement, provided that an original partner listed on the initial Statement of Ownership must remain one of the owners of the vessel. Once no original partners remain, the License will automatically terminate. This rule also applies to a License issued to a single individual as follows. If an individual on a License enters into a Partnership, he or she may add new bona fide partners to the Statement of Ownership (up to 3 including the Licensee) with the prior consent of the Harbormaster and a copy of the Partnership agreement, provided that the original individual on the License remains as one of the owners of the vessel. Once the original Licensee is no longer in the Partnership, the License will automatically terminate.

(3) Within thirty (30) days of notification by the Harbormaster, any Partnership that has an existing license issued in the Partnerships' name must submit for approval by the Harbormaster a fully executed Statement of Ownership designating an individual natural person to be the Licensee consistent with these Rules and Regulations. Failure to comply will result in automatic termination of the existing license.

F. Changes to Statement of Ownership. A Licensee must notify the Harbormaster immediately of any change to the information provided in the Statement of Ownership. If the change results in a Transfer, the rules regarding Transfers in Section 7 will apply.

G. Only the vessel listed on the License shall be berthed in the space assigned by the Harbormaster. Only one vessel of any kind is allowed in any berth.

H. Owners must purchase a card key or key fob to obtain access to Harbor facilities.

7. TRANSFER PROHIBITED

A. Transfer of License Prohibited. A Licensee shall not Transfer a License or other right to use a berth in the Harbor except to the extent and on the terms and conditions provided in these Rules and Regulations. Any other purported Transfer shall have no force or effect and the License shall be automatically revoked as of the date of the purported Transfer without further notice or action by Port.

B. Exceptions. The following Transfers are permitted upon the express written consent of the Harbormaster and payment or waiver of the Transfer Fee. The Harbormaster will deny a Transfer of any License if the Licensee is not in good standing.

1. Spouse or Registered Domestic Partner. At least ten (10) days before any proposed Transfer under this Section, Licensee must provide notice to the Harbormaster and proof of marriage or proof of registered domestic partnership and any other information, documentation, or evidence that the Harbormaster requests to enable Port to evaluate the Transfer. The Transfer Fee is waived for such Transfers.

2. Death of a Licensee with a Spouse or Registered Domestic Partner at Time of Death. Not later than thirty (30) days after the date established on the death certificate as the date of death of the Licensee, the administrator or executor of the estate of the Licensee or the Licensee's surviving spouse or registered domestic partner shall notify the Harbormaster in writing of the death of the Licensee. The notification of the Harbormaster shall also state whether the spouse or legally registered domestic partner seeks Transfer of the License. Transfer of the License to the surviving spouse or registered domestic partner will be approved by the Harbormaster only if (a) the surviving spouse or registered domestic partner can satisfactorily demonstrate an equity ownership interest in the vessel, and (b) either proof of marriage or proof of registration of the domestic partnership to the Licensee at the time of the Licensee's death is provided to the Harbormaster. If notification is not received by the Harbormaster within the 30-day period, the License shall be deemed to be automatically terminated sixty (60) days after the date established on the death certificate as the date of death of the Licensee, and the surviving spouse, registered domestic partner or estate of the deceased Licensee shall remove the vessel from the Harbor on or before such date. The terms and conditions of the License will continue to apply, including the payment of Fees, until the vessel is removed from the Harbor.

If Licensee's surviving spouse or registered domestic partner provides the required notice, but either (a) does not seek a Transfer or (b) seeks a Transfer but does not qualify for a Transfer, then the License shall automatically terminate sixty (60) days after the date established on the death certificate as the date of death of the Licensee and the surviving spouse or registered domestic partner shall have 60 days to remove the vessel from the Harbor. The terms and conditions of the License will continue to apply, including the payment of Fees, until the vessel is removed from the Harbor.

The Transfer Fee is waived for Transfers under this Section.

This rule applies to the surviving spouse of an original partner in a Partnership listed in the initial Statement of Ownership.

3. Transfer of License Between Partners in a Partnerships. A License may be Transferred to any one of the original individual partners listed in the initial Statement of Ownership on file with the Harbormaster, if requested by the existing Licensee, provided that Licensee provides at least thirty (30) days prior written notice to Port, provides any information, documentation, or evidence that Port requests to enable Port to evaluate the Transfer request and pays the Transfer Fee.

8. TERMINATION BY LICENSEE

A Licensee may terminate his or her License at any time by written notice to the Harbormaster at least fifteen (15) calendar days in advance of the effective date of the termination. Fees will continue to apply until the vessel leaves the Harbor.

9. RELEASE OF ASSIGNED BERTH

A Licensee shall notify the Harbormaster in writing of the exact date of vacation of an assigned berth at least fifteen (15) calendar days in advance of the effective date of release. Fees will continue to apply until the vessel leaves the Harbor.

10. ABSENCE FROM BERTH

A Licensee's absence from the assigned berth for a period of six (6) consecutive months shall result in automatic termination of a License, unless such absence was approved in advance in writing by the Harbormaster either due to a temporary suspension or otherwise in the Harbormaster's discretion.

11. WAIT LIST

The Harbormaster shall create and maintain a "Wait List" which shall govern the distribution of berths at the Harbor when an appropriate berth becomes available. Persons on the Wait List are subject to the same requirements as applicants under Section 6. There is one single Wait List that is divided into categories according to slip length. Berth assignments from the Wait List will be made by the Harbormaster as follows:

A. Assignment of Berths. Only individual natural persons can be on the Waitlist. All berth assignments will be based on seniority (defined as the earliest chronological application date) on the Wait List. An applicant may choose to pass up a berth assignment three (3) times if he/she wishes and retain his or her seniority on the Wait List.

B. Applying to the Wait List. An applicant to the Wait List is required to designate a maximum of two categories of berth sizes for which he or she seeks a License. A separate application is required for each berth size category.

C. Fees. Each Owner on the Wait List must pay an annual Fee in the amount shown on the Fee Schedule to remain on the Wait List. Failure to pay the Fees when due will result in removal from the Wait List. In addition, to remain on the Wait List, each Owner must annually renew its application by submitting an annual Statement of Ownership. Fees are non-refundable/non-transferable and they are not applicable to other Fees due upon issuance of a License.

D. Procedure for Berth Assignment from Wait List. As berths become available, the Harbormaster will offer the berth to the most senior person on the Wait List for that berth's size by certified mail to the applicant's address on file. Only the individual on the Wait List will be eligible for a berth (which may include that individual's partners in a partnership under the rule set forth in Section 7).

The offer of a berth assignment must be accepted in writing to the Harbormaster within fifteen (15) days of the date the notice was mailed. If the applicant declines or if acceptance is not received within the 15-day period, the Harbormaster will offer the berth to the next most senior person on the Wait List within the berth size category and each applicant in turn until the berth is either accepted by an applicant or declined by all applicants for that berth size category.

E. Execution of Licensee. An applicant selected from the Wait List must execute a License and bring his or her vessel into the Harbor within thirty (30) calendar days of being assigned a berth. Once a License is executed, the applicant will be removed from the Waitlist. Failure to meet the requirements necessary to enter into a License or to bring the vessel into the Harbor as required by these Rules and Regulations will be considered a declined offer and the Harbormaster will notify the next person on the Wait List.

12. FEES; TAXES

A. All charges and fees shall be payable in accordance with the Fee Schedule which may be updated by the Port Commission from time to time with at least thirty (30) days' prior notice

B. Berthing Fees shall be paid on or before the first day of each month without prior demand and without any deduction, setoff or counterclaim whatsoever. Except as provided below, if the Commencement Date of a License is not on the first day of the month, the berthing Fee will be prorated based on a 30-day month. A full month's berthing Fee is due for all or a portion of the final month of use; there shall be no prorating of the Fee for the final month.

C. Use of the Harbor may create a possessory interest subject to property taxation and an Owner may be subject to the payment of taxes levied on such interest. Owners shall pay all taxes levied against any possessory interest right or against a vessel. The assessment of a possessory interest tax on the use or occupancy of a berth on public property does not imply or confer property rights.

13. NON-PAYMENT OF FEES

A. No person shall remove or cause to be removed from the Harbor any vessel for which Fees are delinquent without paying in full all such delinquent Fees.

B. Berthing Fees are delinquent fifteen (15) calendar days after the due date. Three such delinquencies in a one (1) year period shall result in a Licensee becoming a "habitual late payer." In addition to other remedies for late payment, the Harbormaster may automatically terminate the License of any habitual late payer on the occasion of any subsequent delinquencies in payment of Fees.

C. If any check for a payment due to the Harbor is returned without payment for any reason, Owner shall pay, as an additional charge, a returned check Fee in the amount established in the Fee Schedule and the outstanding payment shall be subject to all other delinquency Fees.

D. Owners shall pay Port all costs and expenses reasonably incurred by Port including, but not limited to, attorney's fees in collecting sums due from Owners under these Rules and Regulations or in enforcing any terms of these Rules and Regulations.

14. MARITIME LIEN; SALE OF VESSEL

A. In accordance with the provisions of Division 3, Chapter 2, of the California Harbors and Navigation Code, the charges for berthing Fees, services rendered or supplies furnished in excess of Fifty Dollars (\$50.00) are liens upon a vessel, and when these are delinquent fifty (50) calendar days or more, an action may be brought against the Owner and/or Licensee to enforce payment of the lien by the Harbormaster, and the vessel with all its appurtenances and furnishings may be attached as security for the satisfaction of any judgment that may be recovered in the action. Unless the outstanding amounts due are satisfied, the Port may sell the vessel, all of its appurtenances and furnishings at public auction and apply the proceeds to the arrearage in accordance with the Harbors and Navigation Code.

B. The Harbormaster will use the following process to recover amounts due:

(1) The Harbormaster will provide ninety (90) days' notice to the Owner by certified mail (the "**Disposal Notice**"). If the Owner fails to pay all amounts due, and, if applicable, fails to remove his or her vessel from the Harbor, then the Harbormaster may sell the vessel at public auction at any time following the expiration of the 90-day period.

(2) Within thirty (30) days of serving a Disposal Notice, the Harbormaster will advertise his or her intention to dispose of the vessel at auction by publishing/posting the Disposal Notice in the following manner: publish in two regional or national daily newspapers; post on a public notice board within the Harbor; post to the superstructure of the vessel; and send by electronic mail to all Owners with email addresses on file.

(3) The Harbormaster shall be entitled to deduct from the proceeds of the auction any outstanding debt and any costs, including reasonable management costs, necessarily incurred by the Harbor or the Harbormaster.

15. USE OF WATER AND ELECTRICITY

A. Fees. Charges for usage of water and electricity in usual and ordinary amounts are included in berthing Fees for the Harbor. Usage beyond such usual and ordinary amounts and excessive use of electricity for heating, cooling and other purposes is prohibited, unless authorized in advance by the Harbormaster and included in the Owner's Fees.

B. Vessel's Electrical Connections. Owners must ensure that his or her vessel's connection to the Harbor's electricity supply is properly and safely fitted and maintained, and that the electricity cables are disconnected from the supply point before being disconnected from the vessel.

C. Continuous Use of Water. Continuous use of water is prohibited except in the event of an emergency. The existence and nature of the emergency shall be reported immediately to the Harbormaster.

D. Water Hoses/pipes. Owners must ensure that water hoses/pipes are fitted with spring-loaded nozzles so that the water supply shuts off when the hose is unattended.

16. DOCK BOXES

A. No dock boxes other than the ones supplied by the Harbor will be allowed on docks. All dock boxes are subject to inspection by the Harbormaster. Dock boxes may be used to store miscellaneous boating equipment and must be locked by Owner at all times when not in use. Schedule 2 lists permitted and prohibited items in dock boxes. Owner shall submit a semi-annual list of the contents of each dock box to the Harbormaster. Owner shall also provide such a list to the Harbormaster upon Harbormaster's request at any time. The Harbormaster reserves the right at any time to add to or change the list of permitted and prohibited items.

B. Owner shall keep the dock box locked at all times. Owner shall maintain the interior of the dock box in good condition, free of odoriferous and noxious materials, and shall keep the adjacent areas clean and free of litter and debris. The Harbormaster and his or her authorized agents shall have the right to inspect the dock boxes and their contents without notice at any time for hazardous conditions, safety concerns, and structural and engineering purposes or to determine whether Owner is complying with these Rules and Regulations.

17. VESSEL DOCUMENTATION

A. Every vessel entering the Harbor must be registered and numbered as required by the USCG or by the Laws of the State of California or the State in which it is registered.

B. An Owner of a vessel entering the Harbor shall provide all information relating to the vessel and the ownership thereof as may reasonably be required by the Harbormaster.

18. VESSEL TRAFFIC WITHIN THE HARBOR

A. All vessels approaching or within the Harbor must be operated in a safe and prudent manner and in no event shall the entrance to the Harbor be blocked.

B. The speed of any vessel within the Harbor shall not exceed five (5) miles per hour and shall create no wake.

C. No vessel shall be operated in the Harbor except for entering or leaving an assigned berth and necessary maneuvering in connection therewith.

19. COMPLIANCE WITH LAWS

All persons using the Harbor shall comply with all applicable Laws with regard to their activities and operations in the Harbor, including without limitation, all requirements relating to the Harbor and all laws regarding water safety, vessel discharges, and operation and maintenance of vessels.

20. MINORS ON DOCKS

No person under the age of sixteen (16) years of age may go, remain, or be upon any of the docks, gangways, floats or vessels in the Harbor, unless such person is accompanied by a responsible adult.

21. ACCIDENT REPORTS

An Owner must immediately provide the Harbormaster with a copy of any report of any accident or injury occurring in the Harbor.

22. UNNECESSARY DISTURBANCE

Owners are responsible for the conduct and actions of his/her crew and other Invitees. Owners shall not use or occupy the Harbor or permit or suffer Owner's Invitees to use or occupy the Harbor in a manner which might reasonably be expected to cause a nuisance or be offensive or objectionable to other occupants or users of the Harbor or interfere with the enjoyment of the Harbor by other patrons (i.e. rude language, threatening behavior, odors). Loud music and noise are prohibited between the hours of 11:00 pm and 7:00 am.

23. INVITEES; CONTRACTORS

A. Invitees. Invitees must be accompanied by an Owner. Owners shall be responsible for the conduct and control of all Invitees.

B. Contractors. The Harbormaster may regulate entry into the Harbor by yacht brokers, contractors, and service personnel, and the Harbormaster may require written authorization from the Owner prior to allowing entry to such persons. All contractors and other service providers shall report to the Harbormaster's Office upon entering the Harbor and again before leaving. Contractors must provide evidence of liability insurance with a reputable insurer for a sum of not less than \$500,000 and worker's compensation coverage (if applicable). Evidence of coverage must be provided to the Harbormaster upon request. All contractors and other service providers are only allowed on Harbor property only during normal business hours.

C. The Harbormaster may take reasonable steps to ascertain that persons aboard any vessel are authorized by the Owner to be aboard.

24. GENERAL RULES AND OBLIGATIONS OF THE OWNER

A. Dangerous Conditions. Owners shall immediately notify the Harbormaster of any observed dangerous conditions, including reporting any spill of oil or other chemical, that require attention by Port.

B. Animals. All dogs must be leashed at all times in all public areas in the Harbor. Owners and Owner's Invitees are required to closely supervise their pets while in the Harbor, and particularly on the ramps, docks and fingers. Owners are required to pick up their pets' waste in the interest of public safety and sanitation. All pets are prohibited in the Harbor restrooms.

C. Fire Prevention. Owners must take reasonable measures to minimize the risk of fire aboard Owner's vessel, including but not limited to the following:

1. Owners must store fuel, pyrotechnics, and other flammable materials in a safe manner.
2. Owners must ensure that gas supplies are turned off when not in use.
3. Owners must maintain adequate firefighting equipment aboard per USCG and or State Laws.

25. CLEAN AND GREEN HARBOR.

Nothing from the vessel is allowed to go into the water. Owners must take reasonable measures to minimize the risk of water pollution, as follows:

1. Owners may not discharge any garbage, including food waste, cigarette butts, bottles, and caps, toilet effluent, dirty bilge water, or other pollutant;
2. Owners must ensure that the bilge contains a bilge oil and fuel absorber. Owner must dispose of used oil absorbents as hazardous waste in accordance with Laws.
3. Owners may not operate bilge pumps unless they are fitted with oil-absorbing pads in the bilge.
4. Owners must store all fuel, paint, chemicals, and other potential pollutants in a safe manner in secure containers within secondary containment on the vessel; review storage of paints and solvents every six (6) months; properly dispose of old unnecessary products; and not store more than two gallons of paint and solvents. Storage of hazardous materials is not allowed in dock boxes.
5. Owners must limit the amount of open solvents or paints on the vessels to one (1) gallon; mix paints and epoxy over a tarp; use a drip pan or drop cloth; and not dispose of paint or solvents in the Harbor waste and recycling receptacles.
6. Owners must use only Minimally-toxic, bio-degradable, and Phosphate-free cleaning materials for deck washdown and above water line hull cleaning. Owners must prevent the introduction of on-deck debris, garbage, residue, and spills into deck washdown and runoff discharges.
7. Owners must dispose of compost, garbage and recycling in the designated places, or remove it from the Harbor.
8. Owners must discharge holding tanks only at the Harbor-designated places. The Harbor will make commercially reasonable efforts to provide temporary alternatives in the event that the designated place is out of service.
9. Owners may not use any dispersants, cleaners, chemicals, or other materials or emulsifiers to conceal oil or fuel spills.



10. Owners must consider whether the use of non-copper based paints adequately meets vessel anti-foulant needs and use less toxic alternatives to the extent practicable and available.

26. MAINTENANCE AND CARE OF VESSEL; ANCHORING OF VESSELS

A. All vessels shall be berthed and secured with proper care and equipment and such berthing or equipment shall be maintained at all times in seaworthy condition as so determined by the Harbormaster. The Harbormaster may examine any vessel in the Harbor to determine compliance with the standards required by these Rules and Regulations.

B. Port assumes no responsibility or liability for the safe dockage or maintenance of any vessel. Owners shall be solely responsible for the proper operating condition of their vessel's equipment and for the size and condition of dock lines. Owners must maintain vessel in a safe and seaworthy condition to prevent hazards to other vessels in the Harbor, and to comply with the Rules and Regulations regarding vessel maintenance.

C. Owners shall be liable for damages caused to other vessels or to the Harbor's docks, pilings, plumbing, wiring and other equipment, machinery or facilities caused by Owner's operations or its vessel. This provision shall apply even in the event of a windstorm or other natural causes.

D. Owners must ensure that his/her vessel is secured in a seamanlike manner, with adequate lines and fenders to withstand all foreseeable weather and tidal conditions and the proximity of other vessels, and with separate lines for each function (e.g. bow, stern, springs and breast lines). The Harbormaster may dictate the kind of cleats, ropes, fenders, and other measures that must be used on vessels as a condition of use of the Harbor.

E. Owners must maintain his or her vessel in a clean and tidy condition, and sufficiently seaworthy so that it can leave the berth and Harbor under its own power in all normal weather and sea conditions. Owners must maintain vessels in such a manner that they operate under their own power and can be removed quickly from the Harbor in the event of fire or other emergency.

F. Owners must conduct a quarterly inspection of his or her vessel. The inspection must ensure that all areas of the vessel are clear of garbage, exposed raw materials, oil, or any other materials that could be discharged into the water. Owners shall check to ensure that all equipment on board the vessel is in proper working condition, including, as applicable, oily water separators, bilges, pumps, generators, and hydraulic systems. Owners shall correct any problems identified during the quarterly inspection and repair or replace damaged parts as soon as possible. Owners shall retain all maintenance records. Maintenance records may be kept electronically or stored in paper form and shall be made available to the Harbormaster upon request.

G. Owners shall ensure that vessels comply with all statutory requirements and standards dictated by the USCG and the State of California, including registration with the applicable state or national authorities and the USCG, the display of valid registration numbers, and crew qualifications.

H. Berthing of a vessel the size of which is greater than that of the assigned berth is prohibited. Owners shall ensure that no part of the vessel (i.e. pulpit, anchor, davits, outboard engine, etc.) overhangs the pontoon, jetty or quay, or extends into the navigational fairways of the Harbor. Vessel length is measured from bow to stern, actual length as it sits in the berth. Vessel length shall not exceed the length of the finger pier. Small tenders and row boats are permitted to be moored, if kept by and for the use of the Owner and berthed within the limits of the assigned berth.

I. Owners must ensure that while in the Harbor, vessels are controlled by adequately trained and competent person(s) in a seamanlike manner, observing the speed limits, keeping wash to a minimum,

and ensuring that no damage, inconvenience, or risk is caused to other persons and vessels, to nearby property or to the Harbor.

J. In the event that any vessel is not maintained or secured properly, the Harbormaster may supply lines and fittings, or may care for the vessel in such a manner as to prevent damage to the vessel, docks, or floats and/or other vessels at the Owner's expense.

K. If, in the opinion of the Harbormaster, a vessel is in danger of sinking, the Harbormaster may pump out the water from the vessel at the Owner's expense.

L. In the event a vessel is wrecked or sunk within the Harbor, it shall be the Owner's responsibility to mark its position and provide for the raising and disposition of such vessel and the Owner assumes all liability for damage to Harbor property or other vessels in the Harbor.

M. Only minor repairs and maintenance work is allowed while a vessel is in the Harbor; provided that all such work and all materials used in such work are kept within the confines of the vessel itself and the work is not carried on in any manner whatsoever upon floats, gangways or docks. The Harbormaster may order any work to cease if he or she determines that the work may cause a risk of damage, nuisance or a health and safety or environmental hazard.

27. HAZARDOUS OBSTRUCTIONS PROHIBITED: BOARDING PLATFORMS

A. Floats, gangways, top of dock boxes and the docks shall be kept clear at all times of skiffs, tenders, miscellaneous gear, debris or other hazardous obstructions.

B. Any condition aboard or around any vessel, float, or gang plank caused by the Owner, which, in the opinion of the Harbormaster constitutes a fire hazard, public health nuisance or danger to public safety shall be corrected or removed immediately to the satisfaction of the Harbormaster. In the event of the refusal or neglect of the Owner to remedy the condition, the Harbormaster will correct or remove the hazard at the Owner's expense.

C. Boarding platforms or ladders on floats are permitted, subject to the prior approval of the Harbormaster, provided that any platform used for boarding shall not be over eighteen (18) inches in width and not over three (3) feet high, shall be of lightweight construction and shall not exceed the size of the slip by more than one (1) foot. The boarding platform shall not be used for storage.

D. No person shall build or place in or about the Harbor, any structures, including without limitations walkways, gangplanks, finger floats, rubbing piles or dock boxes. No modifications of dock structures are permitted at any time, without exceptions. This includes flotation systems, containment basins under vessels, fenders, antennas and any other additions.

28. SIGNS. Owners shall not place, construct or maintain any signage, awning or other exterior decoration or notices on vessels, piles, gangplanks or floats or elsewhere in the Harbor without the Harbormaster's prior written consent. Any sign that Owner is permitted to place, construct or maintain shall comply with all Laws relating thereto, including but not limited to Port's Sign Guidelines, as revised by Port from time to time, and applicable permit requirements.

29. VEHICLE PARKING

A. Vehicle parking is prohibited except in a marked space or drop off zone or in accordance with a parking permit issued by the Harbormaster under these Rules and Regulations.

B. The Harbormaster may issue parking permits to Owners or other authorized persons using the Harbor to park in designated parking areas while they are at the Harbor under the following conditions:

(1) Upon application by a Licensee on a form designated by the Harbormaster, the Harbormaster may issue one (1) free parking permit per License in the name of the Licensee or a vessel co-owner or spouse or registered domestic partner listed on the Statement of Ownership for use with a vehicle registered in that person's name or one (1) free annual parking permit placard for use with multiple vehicles owned by persons eligible for a parking permit as specified above; provided that each vehicle that uses the placard is registered with the Harbormaster and identified on the placard. The Harbormaster may issue a second annual parking permit or placard to the persons specified above for a fee specified in the Port adopted Fee Schedule paid in advance.

(2) Parking permits must be renewed annually on a schedule and in the manner directed by the Harbormaster.

C. The Harbormaster may issue temporary or daily parking permits to Licensee's Invitees upon application by a Licensee on a form designated by the Harbormaster for such limited time periods as determined by the Harbormaster based on his or her assessment of available space. The Fee for temporary permits are specified in the Port-adopted Fee Schedule.

D. Parking permits are non-transferable.

E. Permits issued to a single vehicle are to be affixed to the left side of the rear bumper. Parking placards for multiple vehicles must be placed on the front dashboard and must be clearly visible from outside the vehicle.

F. Vehicles parked in designated parking areas without valid permits or otherwise in violation of these Rules and Regulations will be subject to citations and fines, towing, revocation of the parking permit and/or loss of future parking privileges. All charges and fines will be the responsibility of the vehicle owner.

G. If deemed necessary by the Harbormaster, the Harbormaster may restrict or limit the use of parking areas on a temporary or permanent basis.

H. A parking permit does not create a bailment of a vehicle. City, Port and the Harbor are not responsible for the safekeeping of vehicles and shall not have any liability for theft or damage to any vehicle in the parking areas.

I. No trailer, caravan or commercial vehicle may be parked at the Harbor.

30. NOTICES

A. Payment of Fees and Notice to Port. Except as otherwise expressly provided, all Fees due and all notices required or permitted by Law, a License or these Rules and Regulations to be made to the Harbor or to Port must be in writing and be delivered by: (a) hand delivery; (b) first class United States mail, postage prepaid; or (c) overnight delivery by a nationally recognized courier or the United States Postal Service, delivery charges prepaid.

Port of San Francisco
South Beach Harbor
Pier 40A Harbormaster's Office
San Francisco, California 94111
Attention: Harbormaster

Telephone: (415) 495-4911
Facsimile: (415) 512-1351



B. Notice by Port. Unless a different method is specified in these Rules and Regulations or in a License or by Laws, all notices required to be given by Port or the Harbormaster shall be considered given by depositing the same in the United States mail, postage prepaid, and addressed to Licensee at the last given mailing address on file with the Harbormaster.

C. Receipt of Notice. All notices under these Rules and Regulations or a License shall be deemed to be duly delivered: (a) if delivered, on the date personal delivery actually occurs; (b) if mailed, on the business day following the business day deposited in the United States mail or, if mailed return receipt requested, on the date of delivery or on which delivery is refused as shown on the return receipt; or (c) if by overnight delivery, the business day after the business day deposited for overnight delivery.

D. Notices may not be given by facsimile or electronic mail, but either party may deliver a courtesy copy of a notice by facsimile or electronic mail may be delivered.



Schedule 1
Fee Schedule



Schedule 2

Dock Box Permitted and Prohibited Items

I. Permitted Items

Non-hazardous vessel/marina supplies, materials, and accessories are permitted to be stored in dock boxes, including but not limited to fishing gear, water hoses, electric cords, and oil-absorbing materials. Additional items may be stored in dock boxes with written permission of the Harbormaster.

II. Prohibited Items

The following materials are prohibited from storage in dock boxes.

- **US DOT Hazardous Materials**
- **Common household materials that are prohibited include:**

A. COMBUSTIBLE LIQUIDS:

- Rubbing Alcohol
- Lubricants (Motor Oils)
- Anti-Freeze Compounds

B. CORROSIVES

- Acids
- Drain Cleaner
- Photographic Acids used in developing film
- Bleach
- Batteries (wet or dry)
- Water Purifying agents used in swimming pools

C. EXPLOSIVES

- Fireworks
- Small Arms Ammunition
- Flash Bulbs

D. FLAMMABLES

- Lighter Fluid
- Matches
- Wood Oil Stains
- Petrol-Chemical Based Garden Sprays
- Paint or Varnish
- Paint or Varnish Removers
- Butane / Propane / Gasoline (garden equipment)
- Signal Flares
- Charcoal Briquettes
- Other Fuels / Oils / Lubricants / Antifreeze

E. COMPRESSED GASSES

- Aerosol cans
- Fire extinguishers
- Scuba diving tanks

F. OTHER MATERIALS

- Live plants and animals
- Perishable goods or materials
- Pharmaceuticals / Controlled Substances
- Refuse / garbage, compost, recyclable



ATTACHMENT B
South Beach Harbor
Port of San Francisco
BERTHING LICENSE AGREEMENT

ACCOUNT NO. _____

PLEASE PRINT

Owner Licensee	Boat Name	No. C.F.I.S.C.G. Documentation
Residence Address	Length	Beam
		Draft
Home Phone	Hull Material	Power
		Sail
Email address	Color: Hull	Radio Call
Business Address	Business Phone	Gas
		Diesel
		Owner's Auto Lic. No.
Partnership Name (if any)	Insurance Carrier	Parking Permit (if any)
Emergency Contact Name, Address and Phone	Insurance Agent Name, Address and Phone	Locker No. (if any)

Commencement Date: _____

Expiration Date: _____

Initial berth assignment _____

This license agreement ("License") is by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), operating by and through the SAN FRANCISCO PORT COMMISSION ("Port"), as licensor and the individual named as the "Owner" above as Licensee ("Licensee").

Terms not defined herein have the meaning provided in the South Beach Harbor Rules and Regulations ("Rules and Regulations") attached hereto as *Exhibit A*.

TERMS AND CONDITIONS

1. GRANT OF LICENSE; TERMINATION. In consideration of the terms and conditions stated in this License, Port hereby grants permission to Licensee to berth the vessel listed above at the initial berth location indicated or another berth location directed by the Harbormaster. In connection with the berthing activity allowed under this License, Licensee may also apply for an annual permit to park a vehicle in a designated parking area at the Harbor and/or use of a storage

THE JOURNAL OF THE

AMERICAN MEDICAL ASSOCIATION

PUBLISHED WEEKLY

CHICAGO, ILL., U.S.A.

Subscription price, \$5.00 per annum in advance.

Single copies, 15 cents.

Entered as Second-Class Matter, May 2, 1879.

Postpaid by mail, at special rate of postage provided for

by Act of Congress, October 3, 1917.

Acceptance for mailing at special rate of postage provided for

by Act of Congress, October 3, 1917.

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locker in the Pier 40 Shed building ("Locker"). If the Harbormaster issues a parking permit to Licensee or allows the use of a Locker as provided in the attached addendum, if any, such uses are subject to all the terms and conditions of this License. All uses are subject to the attached Rules and Regulations and as further directed and authorized by the Harbormaster. This License is a revocable, personal, non-assignable, and non-possessory privilege to enter and use the Harbor for the permitted activities only on a temporary basis that commences on the Commencement Date and expires on the Expiration Date specified above ("Term") unless sooner terminated or extended pursuant to the terms of this License. Except as provided in Section 12, Port will give thirty (30) days' prior written notice to terminate this License.

This License is personal to Licensee and any attempt to Transfer this License without Port's prior express written consent shall render this License void. See Section 7 of the Rules and Regulations.

Licensee agrees for itself and its Invitees to comply with the Rules and Regulations which are hereby incorporated, and any amendment thereto. Licensee agrees that Port's exercise of its rights regarding the Harbor and other Port property in the vicinity of the Harbor will not entitle Licensee to any abatement or diminution of Fees.

Without limiting any of Port's rights hereunder, Licensee agrees and acknowledges that Port may, in its sole and absolute discretion, revoke or terminate this License at any time prior to the Expiration Date, without cause and without obligation to pay any consideration to Licensee.

If Licensee is an owner of a vessel owned by a Partnership, Licensee agrees that it is agent of the other partners, has the authority to bind the other partners and that each owner of the vessel shall be jointly and severally liable to Port for all obligations and liabilities under this License.

2. TERM. This License shall commence on the Commencement Date shown above and shall continue for five (5) years until the Expiration Date, unless earlier terminated. This License may be renewed at the Harbormaster's option for successive five (5) year periods in accordance with the following: Licensee must give the Harbormaster written notice that it wishes to extend its License for a five (5) year period no later than thirty (30) days prior to the Expiration Date and submit a current Statement of Ownership, current proof of insurance and any other information requested by the Harbormaster. The Harbormaster will accept or reject an extension of the term for an additional five (5) years in writing within ten (10) days. If an extension is granted, the Licensee shall execute a new License for the same berth on terms and conditions determined by Port. If the License is not extended, it will automatically terminate as of the Expiration Date.

3. FEES. Licensee agrees to pay to Port the Fees set forth in the Rules and Regulations and the Fee Schedule as applicable to Licensee's activities.

Berthing Fees and Locker Fees (if any) are due in advance on the first day of each calendar month. Fees are delinquent if not received on the 15th day of each month. s.

Parking Fees are due in advance upon issuance of a parking permit. Other Fees shall be due in accordance with the Fee Schedule.

Licensee acknowledges that late payment will cause Port increased costs not contemplated by this License, the exact amount of which will be extremely difficult to ascertain. Accordingly, if Licensee fails to pay Fees on the date due, such failure shall be subject to a ten percent (10%) late charge. Without limiting any of its rights, Port may increase any Fee from time to time by adopting a new Fee Schedule for the Harbor. All sums payable by Licensee to Port hereunder shall be paid in cash or by good check to the Port and delivered to Port's address specified in Section 30 of the Rules and Regulations or such other place as Port may designate in writing.

4. SECURITY DEPOSIT. Prior to the Commencement Date, Licensee shall provide to Port a security deposit in an amount equal to one month's berthing Fee as security for Licensee's faithful performance of its obligations under this License. Licensee agrees that Port may apply

the security deposit to (a) pay any sum due to Port under this License, (b) compensate Port for any damage to the Harbor caused by Licensee or its Invitees, or (c) cure any default or failure to comply by Licensee. If Port uses any portion of the security deposit, Licensee shall replenish the security deposit to the original amount within twenty-four (24) hours of Port's notice of the amount due. Port's obligation with respect to the security deposit is solely that of debtor and not trustee. Licensee shall not be entitled to any interest on such security deposit and Port shall not be required to keep the security deposit separate from its general funds. Nothing contained in this section shall in any way diminish or be construed as waiving any of Port's remedies under this License or provided by law or equity.

Licensee waives the provisions of California Civil Code Section 1950.7 and/or any successor statute, and expressly agrees that Port may apply the security deposit in payment of sums reasonably necessary to compensate Port for other loss or damage, foreseeable or unforeseeable, caused by an act or omission of Licensee or any Invitee of Licensee, and that following a default by Licensee, the security deposit may be retained by Port and applied to future damages pending determination of the same. If Licensee is not in default at the expiration or termination of this License, Port shall return the unused balance of the security deposit to Licensee after Licensee vacates the Harbor.

5. FAILURE TO USE VESSEL. Licensee must take his or her vessel out of the Harbor at least ten (10) times per year.

6. MARITIME LIEN. In accordance with Division 3, Chapter 2 (§490 et. seq.) of the California Harbors and Navigation Code, outstanding charges for berthing Fees or other harbor services constitute a lien upon a vessel. Port may foreclose its maritime lien, including selling the vessel at a public auction in accordance with the provisions of the Rules and Regulations or as otherwise provided by Law.

7. NO BAILMENT. This License is for use of assigned dockage space and associated Harbor facilities including designated parking areas if permitted under a parking permit. This License does not create a bailment of the vessel its equipment or personal effects or of any vehicle. If at any time keys are left with the Harbor Office for the convenience of Licensee, Licensee agrees that such will not constitute the assumption of a bailee relationship by Port.

8. COMPLIANCE WITH LAWS. Licensee shall comply with all Laws relating to or affecting the condition and use of its vessel and the Harbor. Licensee shall comply with the City Requirements listed in *Exhibit B*, which are hereby incorporated, to the extent that such ordinances are applicable. Licensee understands and agrees that its failure to comply with such City Requirements shall be a material breach of this License and may give rise to penalties under the applicable ordinance.

9. CONDITION OF BERTH AND FACILITIES. Licensee acknowledges that Licensee has inspected the assigned berth space and is satisfied that such facilities are adequate for the safe and secure dockage of Licensee's vessel and use. Licensee shall immediately notify the Harbormaster of any observed dangerous condition requiring attention by the Port. Licensee shall not alter docks, pilings or any Harbor facilities. There is no warranty of any kind as to the condition of the berths, floats, dock boxes, Lockers, walks, gangways, ramps or mooring gear, or any other part of the Harbor and Licensee accepts the berth space in its "As Is" condition and as being suitable for the conduct of Licensee's activity thereon.

10. WAIVER, INDEMNIFICATION AND ASSUMPTION OF RISK. Licensee, as a material part of the consideration to be rendered to Port, acknowledges and agrees that Harbor facilities are used at the user's sole risk, and that Port shall not be responsible for or liable to Licensee or Licensee's Invitees for loss or damage to any property, including vehicles or vessels, in or about the Harbor from any cause whatsoever. Accordingly, to the fullest extent allowed by law, Licensee hereby waives all rights against the City and County of San Francisco, the San Francisco Port Commission and its officers, employees and agents (collectively, "**City Parties**"), and releases the



City Parties from any and all losses relating to any injury, accident or death of any person or theft, loss or damage to any property, including vehicles or vessels, in or about the Harbor from any cause whatsoever. The City Parties shall not be liable under any circumstances for any consequential, incidental or punitive damages.

Licensee agrees to hold harmless, indemnify, and if requested, defend, the City Parties, from any and all liabilities, injuries, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses, including without limitation, direct and vicarious liability of any kind (collectively, "Claims") arising directly or indirectly arising out of (a) any injury to or death of any person, including but not limited to Licensee's Invitees, or damage to or destruction of any property occurring in, on or about the Harbor, or any part thereof, or the approaches thereto from any cause whatsoever, (b) any failure by Licensee or its Invitees in the observance or performance of any of the terms, covenants or conditions of this License, or (c) the use, occupancy or condition of the Harbor or the activities therein or the approaches thereto by Licensee or Licensee's Invitees. This Indemnity shall be enforceable regardless of the active, concurrent or passive negligence of any of the City Parties, and regardless of whether liability without fault is imposed or sought to be imposed on any of the City Parties. This Indemnity shall be enforceable except to the extent that such Indemnity is void or otherwise unenforceable under applicable law in effect on, or validly retroactive to, the date of this License. This Indemnity shall exclude Claims resulting solely and exclusively from the willful misconduct of the City Parties which is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Licensee or Licensee's Invitees. The foregoing provision is an allocation of risks whereby Licensee agrees to look solely to Licensee's own insurer as to risks associated with use of the Harbor and its berthing and other facilities.

The foregoing obligation of Licensee includes indemnification from all loss and liability, including attorneys' and consultants' fees, court costs, investigation and remediation costs, all other reasonable costs and expenses incurred by the City Parties, damages for decrease in the value of the Harbor, and Claims for damages or decreases in the value of adjoining property. The provisions of this Section shall survive the expiration or earlier termination of this License.

Licensee understands and expressly accepts and assumes the risk that any facts concerning any and all Claims released in this License might be found later to be other than or different from the facts now believed to be true, and agrees that the releases in this License shall remain effective. Therefore, with respect to all Claims released in this License, Licensee waives any rights or benefits provided by Section 1542 of the Civil Code, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Licensee specifically acknowledges and confirms the validity of the release made above and the fact that Licensee was represented by counsel who explained the consequences of the release at the time this License agreement was made, or that Licensee had the opportunity to consult with counsel, but declined to do so.

Initials: Licensee: _____

11. INSURANCE.

Licensee shall maintain throughout the Term, at Licensee's expense, a minimum coverage of Five Hundred Thousand (\$500,000) marine liability and Five Hundred Thousand (\$500,000) vessel pollution liability, including hull replacement and general liability. Hull value will be based on the National Automobile Dealers Association (NADA) or similar for the marine industry. The policy shall be in form and substance satisfactory to the Harbormaster and shall be



placed with responsible underwriters, which have an assigned policyholder's rating of A (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of the "Best's Key Rating Guide", and which are currently authorized by the Insurance Commissioner to transact business in the State of California.

The policy must contain a cross-liability clause, shall name as additional insureds by written endorsement the "CITY AND COUNTY OF SAN FRANCISCO AND THE SAN FRANCISCO PORT COMMISSION AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS," shall be primary and non-contributory to any other insurance available to the additional insureds with respect to claims arising under this License, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.

Licensee shall deliver certificates of insurance, additional insured policy endorsements and waiver of subrogation endorsements in a form satisfactory to and at the direction of the Harbormaster using EXIGIS or another internet-based insurance compliance tracking system as directed by the Harbormaster on or before the Commencement Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. Licensee shall, upon Port's request, promptly furnish Port with a complete copy of any insurance policy required hereunder.

Licensee shall also maintain, at Licensee's expense, any additional insurance coverage which in Licensee's own judgment may be necessary for vessel's protection.

Notwithstanding anything to the contrary contained herein, Port and Licensee (each a "**Waiving Party**") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to this License, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this License or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Harbor; provided, the failure to obtain any such endorsement shall not affect the above waiver.

12. DEFAULT; TERMINATION.

A. **Curable Default.** The occurrence of any one or more of the following events shall constitute a default by Licensee. Upon Licensee's failure to cure during the cure period indicated below, this License shall terminate and Licensee shall immediately vacate and discontinue its use of the Harbor.

(1) Failure by Licensee to pay any Fees and/or all other charges due hereunder within three (3) calendar days after written notice to cure, or

(2) Failure to comply with any other provision of this License including the Rules and Regulations within seven (7) calendar days of notice in writing by the Harbormaster of such non-compliance, including failure to provide adequate proof of insurance in the amounts required by this License.

B. **Automatic Termination.** The occurrence of any one or more of the following events shall constitute a default by Licensee upon which this License shall terminate without an opportunity to cure or prior notice by Port. The Harbormaster will provide the Licensee prompt written notice of such termination and Licensee shall immediately vacate and discontinue its use of the Harbor.

(1) Without the prior written consent of Port, a Transfer of this License by Licensee;



(2) A series of changes to a Partnership that results in no original partners remaining on the Statement of Ownership.

(3) Unless authorized by the Harbormaster in accordance with Section 10 of the Rules and Regulation, absence from the Harbor for six (6) consecutive months:

(4) Failure to take vessel out of the Harbor at least ten (10) times per year;

(5) When, in the Harbormaster's sole discretion, a default of this License poses a threat to health and/or safety or is incapable of cure such as a discharge of waste;

(6) Delinquent payment of Fees after becoming a "habitual late payer" as defined in the Rules and Regulations; or

(7) Failure to return from temporary suspension within the required period; or

(8) Either (i) the failure of Licensee to pay its debts as they become due, the written admission of Licensee of its inability to pay its debts, or a general assignment by Licensee for the benefit of creditors; or (ii) the filing by or against Licensee of any action seeking reorganization, arrangement, liquidation, or other relief under any Law relating to bankruptcy, insolvency, or reorganization or seeking the appointment of a trustee, receiver or liquidator of Licensee's or any substantial part of Licensee's assets; or (iii) the attachment, execution or other judicial seizure of substantially all of Licensee's interest in this License.

13. PORT'S REMEDIES UPON TERMINATION OR EXPIRATION. Upon expiration of the Term, Licensee's default and failure to cure during the cure period, if any, or automatic termination, this License shall terminate and Licensee shall immediately vacate and discontinue its use of the Harbor and Port may take any and all action to enforce Licensee's obligations. Licensee shall indemnify Port from and against any and all loss or liability resulting from Licensee's delay in vacating the Harbor.

If Licensee does not remove his or her vessel immediately upon termination or expiration without timely renewal of this License, no new license is created or shall be implied and the daily Transient Fee shall apply.

Port shall have the following remedies in its sole discretion: (i) remove the vessel to a location within or outside the Harbor, in which case Licensee shall be liable for costs of storage and other costs incurred by Port; and/or (ii) commence the attachment and auction process under the California Harbors and Navigation Code and Section 14 of the Rule and Regulations.

If Licensee's vessel is moved whether within or outside the Harbor, as to such relocation and during the period of storage and final disposition, all indemnity and exculpatory clauses of this License pertaining to Licensee and the vessel, including but not limited to Sections 10 and 20, shall continue in effect and inure to the benefit of Port and its agents.

Without any prior notice, Port may elect to retain or dispose of Licensee's personal property, other than his or her vessel and any other property not subject to a maritime lien, that Licensee does not remove from the Harbor prior to the expiration or earlier termination of this License. These items shall be deemed abandoned. Port may retain, store, remove, and sell or otherwise dispose of abandoned property, and Licensee waives all Claims against Port for any damages resulting from Port's retention, removal and disposition of such property; provided, however, that Licensee shall be liable to Port for all costs incurred in storing, removing and disposing of abandoned property and repairing any damage to the Harbor resulting from such removal. Licensee agrees that Port may elect to sell abandoned property and offset against the sales proceeds Port's storage, removal, and disposition costs without notice to Licensee. Licensee hereby waives the benefits of California Civil Code Section 1993 et seq., to the extent applicable.

14. TEMPORARY SUSPENSION. Licensee may request a temporary suspension of this License for a period of not less than sixty (60) days and not more than six (6) months. During the period

of temporary suspension, the Licensee Fee shall be twenty-five percent (25%) of the Fee that is otherwise applicable. The full monthly Fee will be reinstated upon Licensee's return regardless of whether the Licensee returns in fewer than sixty (60) days. Licensee must remove all skiffs, kayaks, vessel lines, fenders, docks steps and all other appurtenance or equipment and, unless authorized in advance by the Harbormaster, all personal property from a dock box and Locker, if any, prior to the effective date of the temporary suspension. The Harbormaster may approve an extended temporary suspension for up to an additional six (6) months upon satisfactory documentation that Licensee is on an extended voyage.

If a vessel is destroyed by fire or other causes, upon documentation by Licensee, the Harbormaster may temporarily suspend the License for a period of up to ninety (90) days for Licensee to bring a replacement vessel of the same size into the berth assignment and continue to use the Harbor under this License as amended to include the replacement vessel. If Licensee fails bring a replacement vessel into the Harbor within the 90-day period, this License shall automatically terminate. If a vessel is destroyed during a period of temporary suspension requested by Licensee, upon documentation by Licensee, the Harbormaster may extend the original temporary extension period for up to ninety (90) days in order to allow Licensee to bring a replacement vessel into the Harbor.

Unless otherwise specified, all other provisions of this License and the Rules and Regulation will continue to apply during a temporary suspension.

15. TIME OF ESSENCE. Time is of the essence in performance of the obligations set forth in this License.

16. NO WAIVER. Failure to enforce any terms or conditions of this License shall not act as a waiver against enforcement of those same terms and conditions or any other provisions of this License.

17. REMEDIES CUMULATIVE; SEVERABILITY. All exhibits and schedules are incorporated in this License by reference. All remedies available under this License are cumulative and not exclusive. The terms and conditions of this License are independent and the failure of one or several shall not invalidate the entire License.

18. ENTIRE AGREEMENT. This License constitutes the entire agreement between the parties, and the terms and conditions cannot be varied except in writing signed by the parties. Licensee expressly agrees and acknowledges that no officer, director, or employee of Port or City is authorized to offer or promise, nor is Port or the City required to honor, any offered or promised concession, abatement, or any other form of monetary consideration without a written agreement executed by Port.

19. APPLICABLE LAWS. This License shall be construed and enforced according to the federal maritime laws of the United States and, where applicable, according to the laws of the State of California and the Charter of the City and County of San Francisco. Venue for any action shall be in the City and County of San Francisco.

20. NON-LIABILITY OF PORT OFFICIALS, EMPLOYEES AND AGENTS. No elective or appointive board, commission, member, officer, employee or other agent of Port shall be personally liable to Licensee, its successors and assigns, in the event of any default or breach by Port or for any amount which may become due to Licensee, its successors and assigns, or for any obligation of Port under this License or otherwise.

21. ATTORNEYS' FEES. If either party commences an action against the other or a dispute arises under this License, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Port shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience notwithstanding Port's use of its own attorneys.

22. WAIVER OF RELOCATION. Licensee hereby waives any and all rights, benefits or privileges of the California Relocation Assistance Law, California Government Code §§ 7260 et seq., or under any similar law, statute or ordinance now or hereafter in effect, to the extent allowed under applicable law.

23. MISCELLANEOUS PROVISIONS.

(a) This License has been negotiated at arm's length between persons sophisticated and knowledgeable in the matters addressed. In addition, each party has been represented by experienced and knowledgeable legal counsel, or has had the opportunity to consult with counsel. Accordingly, the provisions of this License must be construed as a whole according to their common meaning in order to achieve the intents and purposes of the parties, without any presumption (including a presumption under California Civil Code § 1654) against the party responsible for drafting any part of this License.

(b) Successors. The terms, covenants, agreements and conditions set forth in this License shall bind and inure to the benefit of Port and Licensee and, except as otherwise provided herein, their personal representatives and successors and assigns.

(c) Survival of Indemnities. Termination or expiration of this License shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this License, the ability to collect any sums due, nor shall it affect any provision of this License that expressly states it shall survive termination or expiration hereof.

(d) Relationship of the Parties. Port is not, and none of the provisions in this License shall be deemed to render Port, a partner in Licensee's business, or joint venturer or member in any joint enterprise with Licensee. Except as expressly provided in Section 311 of the Rules and Regulations, neither party shall act as the agent of the other party in any respect hereunder. This License does not create a relationship between Port and Licensee other than that of licensor and licensee. This License is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided.

24. NOTICES. All notices required under this License shall be provided in the manner specified in Section 30 of the Rules and Regulations.

25. TERMINATION OF EXISTING LICENSE. Notwithstanding the provisions of any existing berthing agreement to which Licensee is a party to the contrary (the "Existing License"), if any, the Existing License shall terminate effective as of 12:00 midnight on the date immediately preceding the Commencement Date of this License; provided, however, that Licensee shall not be relieved of any of its obligations under the Existing License accruing prior to such termination of the Existing License and any indemnification and other obligations that survive expiration or termination of the Existing License shall survive such termination.

26. PUBLIC RECORD. This License is a public record subject to disclosure under the California Public Records Act. Please initial below if you wish to waive your privacy rights to the personal information contained in this License.

Yes, I authorize the Port to disclose my personal residence address, phone, and e-mail information listed in this form to any member of the public upon request.

Licensee: _____



I ACKNOWLEDGE THAT I HAVE READ AND UNDERSTOOD ALL THE TERMS AND CONDITIONS ON ALL PAGES OF THIS LICENSE AND AGREE TO THEM.

IN WITNESS WHEREOF, Port and Licensee have executed this License as of the last date set forth below

Licensee: _____
Print Name

Signature

Date signed: _____

Port: **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, operating by and through the **SAN FRANCISCO PORT COMMISSION**

By: _____
Joe Monroe
SBH Harbormaster

Date signed: _____



EXHIBIT A
SOUTH BEACH HARBOR RULES AND REGULATIONS



EXHIBIT B
CITY REQUIREMENTS

The San Francisco Municipal Codes (available at www.sfgov.org) and City Requirements referenced in this License are incorporated by reference as though fully set forth. The descriptions below are not comprehensive but are provided for notice purposes only. Capitalized terms used in this Section and not defined in this License shall have the meanings ascribed to them in the cited ordinance.

1. Nondiscrimination.

(a) Covenant Not to Discriminate. In the performance of this License, Licensee covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), weight, height, association with members of classes protected under Chapters 12B or 12C of the Administrative Code or in retaliation for opposition to any practices forbidden under Chapters 12B or 12C of the Administrative Code against any employee of Licensee, any City employee working with Licensee, any applicant for employment with Licensee, or any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Licensee in the City and County of San Francisco.

(b) Penalties. Licensee understands that pursuant to Section 12B.2(h) of the Administrative Code, a penalty of \$50.00 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this License may be assessed against Licensee.

2. Prohibition of Tobacco Sales and Advertising. Licensee acknowledges and agrees that no sales or advertising of cigarettes, tobacco products or alcoholic beverages is allowed in the Harbor. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes, tobacco products or alcoholic beverages or the name of any cigarette, tobacco products or alcoholic beverages in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of cigarettes and tobacco products or alcoholic beverages, or (ii) encourage people not to smoke or to stop smoking or not to drink alcohol or to stop drinking alcohol, or (iii) provide or publicize drug or alcohol treatment or rehabilitation services. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking.

3. Restrictions on the Use of Pesticides. Licensee shall not use or apply or allow the use or application of any pesticides in the Harbor, and shall not contract with any party to provide pest abatement or control services to in the Harbor, without first receiving City's written approval of an integrated pest management ("IPM") plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Licensee may need to apply during the Term of this License, (ii) describes the steps Licensee will take to meet the City's IPM Policy described in Section 300 of Chapter 3 of the Environment Code and (iii) identifies, by name, title, address and telephone number, an individual to act as the Licensee's primary IPM contact person with the City. Licensee shall comply, and shall require all of Licensee's contractors to comply, with the IPM plan approved by the City and shall comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM ordinance, as if Licensee were a City department.

4. Tropical Hardwood and Virgin Redwood Ban. Port and the City urge Licensee not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product.

5. Preservative-Treated Wood Containing Arsenic. Licensee may not purchase preservative-treated wood products containing arsenic in the performance of this License unless such products are to be used for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

6. Conflicts of Interest. Through its execution of this License, Licensee acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the California Government Code, and certifies that it does not know of any facts which would constitute a violation of these provisions, and agrees that if Licensee becomes aware of any such fact during the Term, Licensee shall immediately notify the Port.

7. Food Service Waste Reduction Ordinance. Licensee agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in Environment Code Chapter 16, including the provisions regarding the payment of liquidated damages for a breach of the ordinance.

**South Beach Harbor
Port of San Francisco
TRANSIENT BERTHING USE AGREEMENT**

ACCOUNT NO.

PLEASE PRINT

<hr/> Owner Licensee	<hr/> Boat Name	<hr/> No. CFUSCG Document(s)
<hr/> Residence Address	<hr/> Length <hr/> Beam	<hr/> Draft
<hr/> Home Phone	<hr/> Hull Material	<hr/> Power <hr/> Sail
<hr/> Email address	<hr/> Color Hull	<hr/> Radio Call
<hr/> Business Address	<hr/> Gas <hr/> Diesel	<hr/> Owner's Auto Lic. No.
<hr/> Business Phone	<hr/> Partnership Name (if any)	
<hr/> Insurance Carrier		
<hr/> Insurance Agent Name, Address and Phone		
<hr/> Emergency Contact Name, Address and Phone		

Commencement Date _____

Expiration Date _____

Berth assignment _____

This use agreement ("Agreement") is by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), operating by and through the SAN FRANCISCO PORT COMMISSION ("Port"), and the individual named as the "Owner". Terms not defined herein have the meaning provided in the South Beach Harbor Rules and Regulations ("Rules and Regulations") attached hereto as *Exhibit A*.

TERMS AND CONDITIONS

1. **USE.** In consideration of the terms and conditions stated in this Agreement, Port hereby grants Owner a temporary, revocable, personal, non-assignable, and non-possessory privilege to enter and use the Harbor to berth the vessel listed above at the berth location indicated or another berth location directed by the Harbormaster for a maximum period of fourteen (14) consecutive



days. This Agreement shall expire at **11:00 a.m.** on the Expiration Date. All uses are subject to the attached Rules and Regulations (which are hereby incorporated) and as further directed and authorized by the Harbormaster. Owner agrees for itself and its Invitees to comply with the attached Rules and Regulations.

Owner agrees to pay to Port the Fees set forth in the Fee Schedule in cash or by good check to the Port at the Harbor Office. Other Fees are due in as specified in the Fee Schedule.

Licensee acknowledges that late payment will cause Port increased costs not contemplated by this License, the exact amount of which will be extremely difficult to ascertain. Accordingly, if Licensee fails to pay Fees on the date due, such failure shall be subject to a ten percent (10%) late charge.

2. MARITIME LIEN. In accordance with Division 3, Chapter 2 (§490 et. seq.) of the California Harbors and Navigation Code, outstanding charges for berthing Fees or other harbor services constitute a lien upon a vessel. Port may foreclose its maritime lien, including selling the vessel at a public auction in accordance with the provisions of the Rules and Regulations or as otherwise provided by Law.

3. NO BAILMENT. This Agreement is for use of assigned dockage space and associated Harbor facilities. This Agreement does not create a bailment of the vessel its equipment or personal effects or a vehicle parked at the Harbor. If at any time keys are left with the Harbor Office for the convenience of Owner, Owner agrees that such will not constitute the assumption of a bailee relationship by Port.

4. COMPLIANCE WITH LAWS. Owner shall comply with all Laws relating to or affecting the condition and use of its vessel and the Harbor. Owner shall comply with the City Requirements listed in *Exhibit B*, which are hereby incorporated, to the extent that such ordinances are applicable. Owner understands and agrees that its failure to comply with such City Requirements shall be a material breach of this Agreement and may give rise to penalties under the applicable ordinance.

5. CONDITION OF BERTH AND FACILITIES. Owner acknowledges that it has inspected the assigned berth space and is satisfied that such facilities are adequate for the safe and secure dockage of Owner's vessel and use. Owner shall immediately notify the Harbormaster of any observed dangerous condition requiring attention by the Port. Owner shall not alter docks, pilings or any Harbor facilities. There is no warranty of any kind as to the condition of the berths, floats, dock boxes, Lockers, walks, gangways, ramps or mooring gear, or any other part of the Harbor and Owner accepts the berth space in its "As Is" condition and as being suitable for the conduct of Owner's activity thereon.

6. WAIVER, INDEMNIFICATION AND ASSUMPTION OF RISK. Owner, as a material part of the consideration to be rendered to Port, acknowledges and agrees that Harbor facilities are used at the user's sole risk, and that Port shall not be responsible for or liable to Owner or Owner's Invitees for loss or damage to any property, including vehicles or vessels, in or about the Harbor from any cause whatsoever. Accordingly, to the fullest extent allowed by law, Owner hereby waives all rights against the City and County of San Francisco, the San Francisco Port Commission and its officers, employees and agents (collectively, "**City Parties**"), and releases the City Parties from any and all losses relating to any injury, accident or death of any person or theft, loss or damage to any property, including vehicles or vessels, in or about the Harbor from any cause whatsoever. The City Parties shall not be liable under any circumstances for any consequential, incidental or punitive damages.

Owner agrees to hold harmless, indemnify, and if requested, defend, the City Parties, from any and all liabilities, injuries, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses, including without limitation, direct and vicarious liability of any kind (collectively, "**Claims**") arising directly or indirectly arising out of (a) any injury to or death of any person, including but not limited to Owner's Invitees, or damage to or destruction of any



property occurring in, on or about the Harbor, or any part thereof, or the approaches thereto from any cause whatsoever, (b) any failure by Owner or its Invitees in the observance or performance of any of the terms, covenants or conditions of this Agreement, or (c) the use, occupancy or condition of the Harbor or the activities therein or the approaches thereto by Owner or Owner's Invitees. This Indemnity shall be enforceable regardless of the active, concurrent or passive negligence of any of the City Parties, and regardless of whether liability without fault is imposed or sought to be imposed on any of the City Parties. This Indemnity shall be enforceable except to the extent that such Indemnity is void or otherwise unenforceable under applicable law in effect on, or validly retroactive to, the date of this Agreement. This Indemnity shall exclude Claims resulting solely and exclusively from the willful misconduct of the City Parties which is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Owner or Owner's Invitees. The foregoing provision is an allocation of risks whereby Owner agrees to look solely to Owner's own insurer as to risks associated with use of the Harbor and its berthing and other facilities.

The foregoing obligation of Owner includes indemnification from all loss and liability, including attorneys' and consultants' fees, court costs, investigation and remediation costs, all other reasonable costs and expenses incurred by the City Parties, damages for decrease in the value of the Harbor, and Claims for damages or decreases in the value of adjoining property. The provisions of this Section shall survive the expiration or earlier termination of this Agreement.

Owner understands and expressly accepts and assumes the risk that any facts concerning any and all Claims released in this Agreement might be found later to be other than or different from the facts now believed to be true, and agrees that the releases in this Agreement shall remain effective. Therefore, with respect to all Claims released in this Agreement, Owner waives any rights or benefits provided by Section 1542 of the Civil Code, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Owner specifically acknowledges and confirms the validity of the release made above and the fact that Owner was represented by counsel who explained the consequences of the release at the time this Agreement agreement was made, or that Owner had the opportunity to consult with counsel, but declined to do so.

Initials: Owner: _____

7. INSURANCE.

Owner shall maintain a minimum coverage of Five Hundred Thousand (\$500,000) in marine liability and Five Hundred Thousand (\$500,000) vessel pollution liability, including hull replacement and general liability. Hull value will be based on the National Automobile Dealers Association (NADA) or similar for the marine industry. The policy shall be in form and substance satisfactory to the Harbormaster and shall be placed with responsible underwriters, which have an assigned policyholder's rating of A (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of the "Best's Key Rating Guide", and which are currently authorized by the Insurance Commissioner to transact business in the State of California.

The policy must contain a cross-liability clause, shall name as additional insureds by written endorsement the "CITY AND COUNTY OF SAN FRANCISCO AND THE SAN FRANCISCO PORT COMMISSION AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS," shall be primary and non-contributory to any other insurance available to the additional insureds with respect to claims arising under this Agreement, and shall provide that



such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.

Owner shall deliver certificates of insurance, additional insured policy endorsements and waiver of subrogation endorsements in a form satisfactory to and at the direction of the Harbormaster using EXIGIS or another internet-based insurance compliance tracking system as directed by the Harbormaster. Owner shall, upon Port's request, promptly furnish Port with a complete copy of any insurance policy required hereunder.

Owner shall also maintain, at Owner's expense, any additional insurance coverage which in Owner's own judgment may be necessary for vessel's protection.

Notwithstanding anything to the contrary contained herein, Port and Owner (each a "**Waiving Party**") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to this Agreement, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this Agreement or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Harbor; provided, the failure to obtain any such endorsement shall not affect the above waiver.

8. DEFAULT; TERMINATION.

The occurrence of any default by Licensee shall result in the termination of this License without an opportunity to cure or prior notice by Port. The Harbormaster will provide the Licensee prompt written notice of such termination and Licensee shall immediately vacate and discontinue its use of the Harbor.

9. PORT'S REMEDIES UPON TERMINATION OR EXPIRATION. Upon expiration or earlier termination, Owner shall immediately vacate and discontinue its use of the Harbor and Port may take any and all action to enforce Owner's obligations. Owner shall indemnify Port from and against any and all loss or liability resulting from its delay in vacating the Harbor.

Port shall have the following remedies in its sole discretion: (i) remove the vessel to a location within or outside the Harbor, in which case Owner shall be liable for costs of storage and other costs incurred by Port; and/or (ii) commence the attachment and auction process under the California Harbors and Navigation Code and Section 14 of the Rule and Regulations.

If Owner's vessel is moved whether within or outside the Harbor, as to such relocation and during the period of storage and final disposition, all indemnity and exculpatory clauses of this Agreement pertaining to Owner and the vessel, including but not limited to Sections 6 and 12, shall continue in effect and inure to the benefit of Port and its agents.

Without any prior notice, Port may elect to retain or dispose of Owner's personal property, other than his or her vessel and any other property not subject to a maritime lien, that Owner does not remove from the Harbor prior to the expiration or earlier termination of this Agreement. These items shall be deemed abandoned. Port may retain, store, remove, and sell or otherwise dispose of abandoned property, and Owner waives all Claims against Port for any damages resulting from Port's retention, removal and disposition of such property; provided, however, that Owner shall be liable to Port for all costs incurred in storing, removing and disposing of abandoned property and repairing any damage to the Harbor resulting from such removal. Owner agrees that Port may elect to sell abandoned property and offset against the sales proceeds Port's storage, removal, and disposition costs without notice to Owner. Owner hereby waives the benefits of California Civil Code Section 1993 et seq., to the extent applicable.

10. TIME OF ESSENCE. Time is of the essence in performance of the obligations set forth in this Agreement.



11. REMEDIES CUMULATIVE; SEVERABILITY. All remedies available under this Agreement are cumulative and not exclusive. The terms and conditions of this Agreement are independent and the failure of one or several shall not invalidate the entire Agreement.

12. NON-LIABILITY OF PORT OFFICIALS, EMPLOYEES AND AGENTS. No elective or appointive board, commission, member, officer, employee or other agent of Port shall be personally liable to Owner, its successors and assigns, in the event of any default or breach by Port or for any amount which may become due to Owner, its successors and assigns, or for any obligation of Port under this Agreement or otherwise.

13. ATTORNEYS' FEES. If either party commences an action against the other or a dispute arises under this Agreement, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Port shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience notwithstanding Port's use of its own attorneys.

14. MISCELLANEOUS.

(a) Except as expressly provided in Section 3H of the Rules and Regulations, neither party shall act as the agent of the other party in any respect hereunder. This Agreement is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided.

15. NOTICES. All notices required under this Agreement shall be provided in the manner specified in Section 30 of the Rules and Regulations.

16. PUBLIC RECORD. This Agreement is a public record subject to disclosure under the California Public Records Act. Please initial below if you wish to waive your privacy rights to the personal information contained in this Agreement.

Yes, I authorize the Port to disclose my personal residence address, phone, and e-mail information listed in this form to any member of the public upon request.

Owner: _____

I ACKNOWLEDGE THAT I HAVE READ AND UNDERSTOOD ALL THE TERMS AND CONDITIONS OF THIS AGREEMENT AND AGREE TO THEM.

IN WITNESS WHEREOF, Port and Owner have executed this Agreement as of the last date set forth below

Owner: _____
Print Name

Signature

Date signed: _____

Port: **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, operating by and through the **SAN FRANCISCO PORT COMMISSION**

By: _____
Joe Monroe
SBI Harbor Master

Date signed: _____

EXHIBIT A
SOUTH BEACH HARBOR RULES AND REGULATIONS

EXHIBIT B

CITY REQUIREMENTS

The San Francisco Municipal Codes (available at www.sfgov.org) and City Requirements referenced in this Agreement are incorporated by reference as though fully set forth. The descriptions below are not comprehensive but are provided for notice purposes only. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings ascribed to them in the cited ordinance.

1. Nondiscrimination.

(a) Covenant Not to Discriminate. In the performance of this Agreement, Owner covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), weight, height, association with members of classes protected under Chapters 12B or 12C of the Administrative Code or in retaliation for opposition to any practices forbidden under Chapters 12B or 12C of the Administrative Code against any employee of Owner, any City employee working with Owner, any applicant for employment with Owner, or any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Owner in the City and County of San Francisco.

(b) Penalties. Owner understands that pursuant to Section 12B.2(h) of the Administrative Code, a penalty of \$50.00 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Owner.

2. Prohibition of Tobacco Sales and Advertising. Owner acknowledges and agrees that no sales or advertising of cigarettes, tobacco products or alcoholic beverages is allowed in the Harbor. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes, tobacco products or alcoholic beverages or the name of any cigarette, tobacco products or alcoholic beverages in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of cigarettes and tobacco products or alcoholic beverages, or (ii) encourage people not to smoke or to stop smoking or not to drink alcohol or to stop drinking alcohol, or (iii) provide or publicize drug or alcohol treatment or rehabilitation services. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking.

3. Restrictions on the Use of Pesticides. Owner shall not use or apply or allow the use or application of any pesticides in the Harbor, and shall not contract with any party to provide pest abatement or control services to in the Harbor, without first receiving City's written approval of an integrated pest management ("IPM") plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Owner may need to apply during the Term of this Agreement, (ii) describes the steps Owner will take to meet the City's IPM Policy described in Section 300 of Chapter 3 of the Environment Code and (iii) identifies, by name, title, address and telephone number, an individual to act as the Owner's primary IPM contact person with the City. Owner shall comply, and shall require all of Owner's contractors to comply, with the IPM plan approved by the City and shall comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM ordinance, as if Owner were a City department..

4. Tropical Hardwood and Virgin Redwood Ban. Port and the City urge Owner not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product.

5. Preservative-Treated Wood Containing Arsenic. Owner may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless such products are to be used for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

6. Conflicts of Interest. Through its execution of this Agreement, Owner acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the California Government Code, and certifies that it does not know of any facts which would constitute a violation of these provisions, and agrees that if Owner becomes aware of any such fact during the Term, Owner shall immediately notify the Port.

7. Food Service Waste Reduction Ordinance. Owner agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in Environment Code Chapter 16, including the provisions regarding the payment of liquidated damages for a breach of the ordinance.

**South Beach Harbor
Port of San Francisco
TEMPORARY BERTHING LICENSE AGREEMENT**

ACCOUNT NO. _____

PLEASE PRINT

Owner Licensee	Boat Name	No. C.F.T. S.C.G. Documentation
Residence Address	Length Beam	Draft
Home Phone	Hull Material	Power Sail
Email address	Color: Hull	Radio Call
Business Address Business Phone	Gas Diesel	Owner's Auto Lic. No.
Partnership Name (if any)	Insurance Carrier	Parking Permit (if any)
Emergency Contact Name, Address and Phone	Insurance Agent Name, Address and Phone	

Commencement Date: _____

Expiration Date: _____

Initial berth assignment _____

This license agreement ("License") is by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), operating by and through the SAN FRANCISCO PORT COMMISSION ("Port"), as licensor and the individual named as the "Owner" above as Licensee ("Licensee").

Terms not defined herein have the meaning provided in the South Beach Harbor Rules and Regulations ("Rules and Regulations") attached hereto as *Exhibit A*.

TERMS AND CONDITIONS

1. GRANT OF LICENSE; TERMINATION. In consideration of the terms and conditions stated in this License, Port hereby grants permission to Licensee to berth the vessel listed above at the initial berth location indicated or another berth location directed by the Harbormaster for a maximum period of up to six (6) months. In connection with the berthing activity allowed under this License, Licensee may also apply for a permit to park a vehicle in a designated parking area

at the Harbor. If the Harbormaster issues a parking permit to Licensee such use is subject to all the terms and conditions of this License. All uses are subject to the attached Rules and Regulations and as further directed and authorized by the Harbormaster. This License is a revocable, personal, non-assignable, and non-possessory privilege to enter and use the Harbor for the permitted activities only on a temporary basis that commences on the Commencement Date and expires on the Expiration Date specified above ("**Term**") unless sooner terminated or extended pursuant to the terms of this License.

This License is personal to Licensee and any attempt to Transfer this License without Port's prior express written consent shall render this License void. See Section 7 of the Rules and Regulations.

Licensee agrees for itself and its Invitees to comply with the Rules and Regulations which are hereby incorporated, and any amendment thereto. Licensee agrees that Port's exercise of its rights regarding the Harbor and other Port property in the vicinity of the Harbor will not entitle Licensee to any abatement or diminution of Fees.

Without limiting any of Port's rights hereunder, Licensee agrees and acknowledges that Port may, in its sole and absolute discretion, revoke or terminate this License at any time prior to the Expiration Date, without cause and without obligation to pay any consideration to Licensee. If the vessel must be moved to another berth in the Harbor during the Term, the Harbormaster will use reasonable efforts to provide fourteen (14) calendar days' notice to Licensee.

If Licensee is an owner of a vessel owned by a Partnership, Licensee agrees that it is agent of the other partners, has the authority to bind the other partners and that each owner of the vessel shall be jointly and severally liable to Port for all obligations and liabilities under this License.

2. TERM. This License shall commence on the Commencement Date shown above and shall expire at **11:00 a.m.** on the Expiration Date unless renewed by the Harbormaster in his or her sole discretion (for up to a maximum of six (6) months at any berth in the Harbor). Renewals are conditioned upon Owner's advance payment of Fees.

3. FEES. Licensee agrees to pay to Port the Fees set forth in the Rules and Regulations and the Fee Schedule as applicable to Licensee's activities.

Berthing Fees are due in advance on the first day of each calendar month. Fees are delinquent if not received on the 15th day of each month. s.

Parking Fees are due in advance upon issuance of a parking permit. Other Fees shall be due in accordance with the Fee Schedule.

Licensee acknowledges that late payment will cause Port increased costs not contemplated by this License, the exact amount of which will be extremely difficult to ascertain. Accordingly, if Licensee fails to pay Fees on the date due, such failure shall be subject to a ten percent (10%) late charge. Without limiting any of its rights, Port may increase any Fee from time to time by adopting a new Fee Schedule for the Harbor. All sums payable by Licensee to Port hereunder shall be paid in cash or by good check to the Port and delivered to Port's address specified in Section 30 of the Rules and Regulations or such other place as Port may designate in writing.

4. SECURITY DEPOSIT. Prior to the Commencement Date, Licensee shall provide to Port a security deposit in an amount equal to one months' berthing Fee as security for Licensee's faithful performance of its obligations under this License. Licensee agrees that Port may apply the security deposit to (a) pay any sum due to Port under this License, (b) compensate Port for any damage to the Harbor caused by Licensee or its Invitees, or (c) cure any default or failure to comply by Licensee. If Port uses any portion of the security deposit, Licensee shall replenish the security deposit to the original amount within twenty-four (24) hours of Port's notice of the amount due. Port's obligation with respect to the security deposit is solely that of debtor and not trustee. Licensee shall not be entitled to any interest on such security deposit and Port shall not be required to keep the security deposit separate from its general funds. Nothing contained in

this section shall in any way diminish or be construed as waiving any of Port's remedies under this License or provided by law or equity.

Licensee waives the provisions of California Civil Code Section 1950.7 and/or any successor statute, and expressly agrees that Port may apply the security deposit in payment of sums reasonably necessary to compensate Port for other loss or damage, foreseeable or unforeseeable, caused by an act or omission of Licensee or any Invitee of Licensee, and that following a default by Licensee, the security deposit may be retained by Port and applied to future damages pending determination of the same. If Licensee is not in default at the expiration or termination of this License, Port shall return the unused balance of the security deposit to Licensee after Licensee vacates the Harbor.

5. FAILURE TO USE VESSEL. Licensee must take his or her vessel out of the Harbor at least five (5) times in any six (6) month period.

6. MARITIME LIEN. In accordance with Division 3, Chapter 2 (§490 et. seq.) of the California Harbors and Navigation Code, outstanding charges for berthing Fees or other harbor services constitute a lien upon a vessel. Port may foreclose its maritime lien, including selling the vessel at a public auction in accordance with the provisions of the Rules and Regulations or as otherwise provided by Law.

7. NO BAILMENT. This License is for use of assigned dockage space and associated Harbor facilities including designated parking areas if permitted under a parking permit. This License does not create a bailment of the vessel its equipment or personal effects or of any vehicle. If at any time keys are left with the Harbor Office for the convenience of Licensee, Licensee agrees that such will not constitute the assumption of a bailee relationship by Port.

8. COMPLIANCE WITH LAWS. Licensee shall comply with all Laws relating to or affecting the condition and use of its vessel and the Harbor. Licensee shall comply with the City Requirements listed in *Exhibit B*, which are hereby incorporated, to the extent that such ordinances are applicable. Licensee understands and agrees that its failure to comply with such City Requirements shall be a material breach of this License and may give rise to penalties under the applicable ordinance.

9. CONDITION OF BERTH AND FACILITIES. Licensee acknowledges that Licensee has inspected the assigned berth space and is satisfied that such facilities are adequate for the safe and secure dockage of Licensee's vessel and use. Licensee shall immediately notify the Harbormaster of any observed dangerous condition requiring attention by the Port. Licensee shall not alter docks, pilings or any Harbor facilities. There is no warranty of any kind as to the condition of the berths, floats, dock boxes, Lockers, walks, gangways, ramps or mooring gear, or any other part of the Harbor and Licensee accepts the berth space in its "As Is" condition and as being suitable for the conduct of Licensee's activity thereon.

10. WAIVER, INDEMNIFICATION AND ASSUMPTION OF RISK. Licensee, as a material part of the consideration to be rendered to Port, acknowledges and agrees that Harbor facilities are used at the user's sole risk, and that Port shall not be responsible for or liable to Licensee or Licensee's Invitees for loss or damage to any property, including vehicles or vessels, in or about the Harbor from any cause whatsoever. Accordingly, to the fullest extent allowed by law, Licensee hereby waives all rights against the City and County of San Francisco, the San Francisco Port Commission and its officers, employees and agents (collectively, "City Parties"), and releases the City Parties from any and all losses relating to any injury, accident or death of any person or theft, loss or damage to any property, including vehicles or vessels, in or about the Harbor from any cause whatsoever. The City Parties shall not be liable under any circumstances for any consequential, incidental or punitive damages.

Licensee agrees to hold harmless, indemnify, and if requested, defend, the City Parties, from any and all liabilities, injuries, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses, including without limitation, direct and vicarious liability of any kind

(collectively, "Claims") arising directly or indirectly arising out of (a) any injury to or death of any person, including but not limited to Licensee's Invitees, or damage to or destruction of any property occurring in, on or about the Harbor, or any part thereof, or the approaches thereto from any cause whatsoever, (b) any failure by Licensee or its Invitees in the observance or performance of any of the terms, covenants or conditions of this License, or (c) the use, occupancy or condition of the Harbor or the activities therein or the approaches thereto by Licensee or Licensee's Invitees. This Indemnity shall be enforceable regardless of the active, concurrent or passive negligence of any of the City Parties, and regardless of whether liability without fault is imposed or sought to be imposed on any of the City Parties. This Indemnity shall be enforceable except to the extent that such Indemnity is void or otherwise unenforceable under applicable law in effect on, or validly retroactive to, the date of this License. This Indemnity shall exclude Claims resulting solely and exclusively from the willful misconduct of the City Parties which is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Licensee or Licensee's Invitees. The foregoing provision is an allocation of risks whereby Licensee agrees to look solely to Licensee's own insurer as to risks associated with use of the Harbor and its berthing and other facilities.

The foregoing obligation of Licensee includes indemnification from all loss and liability, including attorneys' and consultants' fees, court costs, investigation and remediation costs, all other reasonable costs and expenses incurred by the City Parties, damages for decrease in the value of the Harbor, and Claims for damages or decreases in the value of adjoining property. The provisions of this Section shall survive the expiration or earlier termination of this License.

Licensee understands and expressly accepts and assumes the risk that any facts concerning any and all Claims released in this License might be found later to be other than or different from the facts now believed to be true, and agrees that the releases in this License shall remain effective. Therefore, with respect to all Claims released in this License, Licensee waives any rights or benefits provided by Section 1542 of the Civil Code, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Licensee specifically acknowledges and confirms the validity of the release made above and the fact that Licensee was represented by counsel who explained the consequences of the release at the time this License agreement was made, or that Licensee had the opportunity to consult with counsel, but declined to do so.

Initials: Licensee: _____

II. INSURANCE.

Licensee shall maintain throughout the Term, at Licensee's expense, a minimum coverage of Five Hundred Thousand (\$500,000) marine liability and Five Hundred Thousand (\$500,000) vessel pollution liability, including hull replacement and general liability. Hull value will be based on the National Automobile Dealers Association (NADA) or similar for the marine industry. The policy shall be in form and substance satisfactory to the Harbormaster and shall be placed with responsible underwriters, which have an assigned policyholder's rating of A (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of the "Best's Key Rating Guide", and which are currently authorized by the Insurance Commissioner to transact business in the State of California.

The policy must contain a cross-liability clause, shall name as additional insureds by written endorsement the "CITY AND COUNTY OF SAN FRANCISCO AND THE SAN FRANCISCO

PORT COMMISSION AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS," shall be primary and non-contributory to any other insurance available to the additional insureds with respect to claims arising under this License, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.

Licensee shall deliver certificates of insurance, additional insured policy endorsements and waiver of subrogation endorsements in a form satisfactory to and at the direction of the Harbormaster using EXIGIS or another internet-based insurance compliance tracking system as directed by the Harbormaster on or before the Commencement Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. Licensee shall, upon Port's request, promptly furnish Port with a complete copy of any insurance policy required hereunder.

Licensee shall also maintain, at Licensee's expense, any additional insurance coverage which in Licensee's own judgment may be necessary for vessel's protection.

Notwithstanding anything to the contrary contained herein, Port and Licensee (each a "Waiving Party") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to this License, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this License or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Harbor; provided, the failure to obtain any such endorsement shall not affect the above waiver.

12. DEFAULT; TERMINATION.

The occurrence of any default by Licensee shall result in the termination of this License without an opportunity to cure or prior notice by Port. The Harbormaster will provide the Licensee prompt written notice of such termination and Licensee shall immediately vacate and discontinue its use of the Harbor.

13. PORT'S REMEDIES UPON TERMINATION OR EXPIRATION. Upon expiration of the Term, Licensee's default and failure to cure during the cure period, if any, or automatic termination, this License shall terminate and Licensee shall immediately vacate and discontinue its use of the Harbor and Port may take any and all action to enforce Licensee's obligations. Licensee shall indemnify Port from and against any and all loss or liability resulting from Licensee's delay in vacating the Harbor.

If Licensee does not remove his or her vessel immediately upon termination or expiration without timely renewal of this License, no new license is created or shall be implied and the daily Transient Fee shall apply.

Port shall have the following remedies in its sole discretion: (i) remove the vessel to a location within or outside the Harbor, in which case Licensee shall be liable for costs of storage and other costs incurred by Port; and/or (ii) commence the attachment and auction process under the California Harbors and Navigation Code and Section 14 of the Rule and Regulations.

If Licensee's vessel is moved whether within or outside the Harbor, as to such relocation and during the period of storage and final disposition, all indemnity and exculpatory clauses of this License pertaining to Licensee and the vessel, including but not limited to Sections 10 and 19, shall continue in effect and inure to the benefit of Port and its agents.

Without any prior notice, Port may elect to retain or dispose of Licensee's personal property, other than his or her vessel and any other property not subject to a maritime lien, that Licensee

does not remove from the Harbor prior to the expiration or earlier termination of this License. These items shall be deemed abandoned. Port may retain, store, remove, and sell or otherwise dispose of abandoned property, and Licensee waives all Claims against Port for any damages resulting from Port's retention, removal and disposition of such property; provided, however, that Licensee shall be liable to Port for all costs incurred in storing, removing and disposing of abandoned property and repairing any damage to the Harbor resulting from such removal. Licensee agrees that Port may elect to sell abandoned property and offset against the sales proceeds Port's storage, removal, and disposition costs without notice to Licensee. Licensee hereby waives the benefits of California Civil Code Section 1993 et seq., to the extent applicable.

14. TIME OF ESSENCE. Time is of the essence in performance of the obligations set forth in this License.

15. NO WAIVER. Failure to enforce any terms or conditions of this License shall not act as a waiver against enforcement of those same terms and conditions or any other provisions of this License.

16. REMEDIES CUMULATIVE; SEVERABILITY. All exhibits and schedules are incorporated in this License by reference. All remedies available under this License are cumulative and not exclusive. The terms and conditions of this License are independent and the failure of one or several shall not invalidate the entire License.

17. ENTIRE AGREEMENT. This License constitutes the entire agreement between the parties, and the terms and conditions cannot be varied except in writing signed by the parties. Licensee expressly agrees and acknowledges that no officer, director, or employee of Port or City is authorized to offer or promise, nor is Port or the City required to honor, any offered or promised concession, abatement, or any other form of monetary consideration without a written agreement executed by Port.

18. APPLICABLE LAWS. This License shall be construed and enforced according to the federal maritime laws of the United States and, where applicable, according to the laws of the State of California and the Charter of the City and County of San Francisco. Venue for any action shall be in the City and County of San Francisco.

19. NON-LIABILITY OF PORT OFFICIALS, EMPLOYEES AND AGENTS. No elective or appointive board, commission, member, officer, employee or other agent of Port shall be personally liable to Licensee, its successors and assigns, in the event of any default or breach by Port or for any amount which may become due to Licensee, its successors and assigns, or for any obligation of Port under this License or otherwise.

20. ATTORNEYS' FEES. If either party commences an action against the other or a dispute arises under this License, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Port shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience notwithstanding Port's use of its own attorneys.

21. WAIVER OF RELOCATION. Licensee hereby waives any and all rights, benefits or privileges of the California Relocation Assistance Law, California Government Code §§ 7260 et seq., or under any similar law, statute or ordinance now or hereafter in effect, to the extent allowed under applicable Law.

22. MISCELLANEOUS PROVISIONS.

(a) This License has been negotiated at arm's length between persons sophisticated and knowledgeable in the matters addressed. In addition, each party has been represented by experienced and knowledgeable legal counsel, or has had the opportunity to consult with counsel. Accordingly, the provisions of this License must be construed as a whole according to their common meaning in order to achieve the intents and purposes of the parties.



without any presumption (including a presumption under California Civil Code § 1654) against the party responsible for drafting any part of this License.

(b) **Successors.** The terms, covenants, agreements and conditions set forth in this License shall bind and inure to the benefit of Port and Licensee and, except as otherwise provided herein, their personal representatives and successors and assigns.

(c) **Survival of Indemnities.** Termination or expiration of this License shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this License, the ability to collect any sums due, nor shall it affect any provision of this License that expressly states it shall survive termination or expiration hereof.

(d) **Relationship of the Parties.** Port is not, and none of the provisions in this License shall be deemed to render Port, a partner in Licensee's business, or joint venturer or member in any joint enterprise with Licensee. Except as expressly provided in Section 3H of the Rules and Regulations, neither party shall act as the agent of the other party in any respect hereunder. This License does not create a relationship between Port and Licensee other than that of licensor and licensee. This License is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided.

23. NOTICES. All notices required under this License shall be provided in the manner specified in Section 30 of the Rules and Regulations.

24. TERMINATION OF EXISTING LICENSE. Notwithstanding the provisions of any existing berthing agreement to which Licensee is a party to the contrary (the "Existing License"), if any, the Existing License shall terminate effective as of 12:00 midnight on the date immediately preceding the Commencement Date of this License; provided, however, that Licensee shall not be relieved of any of its obligations under the Existing License accruing prior to such termination of the Existing License and any indemnification and other obligations that survive expiration or termination of the Existing License shall survive such termination.

25. PUBLIC RECORD. This License is a public record subject to disclosure under the California Public Records Act. Please initial below if you wish to waive your privacy rights to the personal information contained in this License.

Yes, I authorize the Port to disclose my personal residence address, phone, and e-mail information listed in this form to any member of the public upon request.

Licensee: _____



I ACKNOWLEDGE THAT I HAVE READ AND UNDERSTOOD ALL THE TERMS AND CONDITIONS ON ALL PAGES OF THIS LICENSE AND AGREE TO THEM.

IN WITNESS WHEREOF, Port and Licensee have executed this License as of the last date set forth below

Licensee: _____
Print Name

Signature

Date signed: _____

Port: **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, operating by and through the **SAN FRANCISCO PORT COMMISSION**

By: _____
Joe Monroe
SBH Harbormaster

Date signed: _____



EXHIBIT A
SOUTH BEACH HARBOR RULES AND REGULATIONS

EXHIBIT B
CITY REQUIREMENTS

The San Francisco Municipal Codes (available at www.sfgov.org) and City Requirements referenced in this License are incorporated by reference as though fully set forth. The descriptions below are not comprehensive but are provided for notice purposes only. Capitalized terms used in this Section and not defined in this License shall have the meanings ascribed to them in the cited ordinance.

1. **Nondiscrimination.**

(a) **Covenant Not to Discriminate.** In the performance of this License, Licensee covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), weight, height, association with members of classes protected under Chapters 12B or 12C of the Administrative Code or in retaliation for opposition to any practices forbidden under Chapters 12B or 12C of the Administrative Code against any employee of Licensee, any City employee working with Licensee, any applicant for employment with Licensee, or any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Licensee in the City and County of San Francisco.

(b) **Penalties.** Licensee understands that pursuant to Section 12B.2(h) of the Administrative Code, a penalty of \$50.00 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this License may be assessed against Licensee.

2. **Prohibition of Tobacco Sales and Advertising.** Licensee acknowledges and agrees that no sales or advertising of cigarettes, tobacco products or alcoholic beverages is allowed in the Harbor. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes, tobacco products or alcoholic beverages or the name of any cigarette, tobacco products or alcoholic beverages in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of cigarettes and tobacco products or alcoholic beverages, or (ii) encourage people not to smoke or to stop smoking or not to drink alcohol or to stop drinking alcohol, or (iii) provide or publicize drug or alcohol treatment or rehabilitation services. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking.

3. **Restrictions on the Use of Pesticides.** Licensee shall not use or apply or allow the use or application of any pesticides in the Harbor, and shall not contract with any party to provide pest abatement or control services to in the Harbor, without first receiving City's written approval of an integrated pest management ("IPM") plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Licensee may need to apply during the Term of this License, (ii) describes the steps Licensee will take to meet the City's IPM Policy described in Section 300 of Chapter 3 of the Environment Code and (iii) identifies, by name, title, address and telephone number, an individual to act as the Licensee's primary IPM contact person with the City. Licensee shall comply, and shall require all of Licensee's contractors to comply, with the IPM plan approved by the City and shall comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM ordinance, as if Licensee were a City department..



4. Tropical Hardwood and Virgin Redwood Ban. Port and the City urge Licensee not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product.

5. Preservative-Treated Wood Containing Arsenic. Licensee may not purchase preservative-treated wood products containing arsenic in the performance of this License unless such products are to be used for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

6. Conflicts of Interest. Through its execution of this License, Licensee acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the California Government Code, and certifies that it does not know of any facts which would constitute a violation of these provisions, and agrees that if Licensee becomes aware of any such fact during the Term, Licensee shall immediately notify the Port.

7. Food Service Waste Reduction Ordinance. Licensee agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in Environment Code Chapter 16, including the provisions regarding the payment of liquidated damages for a breach of the ordinance.



ATTACHMENT C
South Beach Harbor
Port of San Francisco
STATEMENT OF OWNERSHIP

PLEASE PRINT

Owner License	Boat Name	Account No. (if applicable)
Residence Address	Color Hull	Berth assignment (if applicable)
Home Phone		
Email address	Spouse or Registered Domestic Partner (if any)	No. CT USC G Documentation and Attach Documentation
Business Address Business Phone		
Insurance Carrier	Contact Info for Spouse or Registered Domestic Partner	Auto License No.
Insurance Agent Name, Address and Phone		
Emergency Contact Name, Address and Phone	Partnership Name (if any)	Initial Security Date (if applicable)

Date Filed: _____

1. **ANNUAL FILING.** This form must be filed annually with the Harbormaster.
2. **CHANGES.** Owner is responsible for notifying the Harbormaster in writing immediately of any changes to the information in this form. The Port is not responsible for lost or misdirected mail due to incorrect information.

This form and changes to this form are subject to the Harbor Rules and Regulations. Changes to this form may be subject to a Transfer Fee which shall be paid at the time the updated form is submitted.

3. **PARTNERSHIPS.** Partnerships must complete the section on the back of this form and **attach** the current partnership agreement to this form. The individual named above shall be designated as the Licensee on the License. All other partners (maximum of two (2) unless otherwise provided by Section xx of the Rules and Regulations) must be listed below. All partners agree that the designated individual is the agent of the Partnership and has the authority to bind the Partnership with respect to a license to berth at and use the facilities of the Harbor. Each partner agrees that it shall be jointly and severally liable to Port for all obligations and liabilities under a license.

Partner	Partner	Partner
Residence Address:	Residence Address:	Residence Address:
Home Phone:	Home Phone:	Home Phone:
Business Address: Phone:	Business Address: Phone:	Business Address: Phone:
Email Address:	Email Address:	Email Address:
Emergency Contact Information:	Emergency Contact Information:	Emergency Contact Information:
Auto License No:	Auto License No:	Auto License No:
Signature of Partner	Signature of Partner	Signature of Partner

4. **CERTIFICATION OF COMPLIANCE.** Owner has reviewed, and by its signature below, certifies its compliance with all requirements of any applicable license and the Harbor Rules and Regulations.

5. **PUBLIC RECORD.** This form is a public record subject to disclosure under the California Public Records Act. Please initial below if you waive privacy rights to all of the personal information contained in this Form.

Yes, I authorize the Port to disclose the personal residence address, phone, and e-mail information listed in this form to any member of the public upon request. Initials: _____

Submitted by: _____
Signature

Print

ATTACHMENT D**South Beach Harbor
Port of San Francisco
FEE SCHEDULE****ADOPTED , 2015**

Activity	Fee
Monthly Berthing Fees	
26'	\$288.76
30'	\$337.97
34'	\$411.78
38'	\$510.19
42'	\$586.59
46'	\$710.90
50'	\$792.48
*These are fees through 12/31/15. At such time, berthing fees are subject to CPI adjustment effective 1/1/2016.	
Transient Berthing Fees – Daily Fees	\$1.25/foot – minimum \$35.00
Temporary Berthing Fees (more than 14 days up to 6 months)	Monthly berthing fees apply
Guest Dock	
Up to 3 hours	\$15.00
4 or more hours	\$125/foot
Parking	
First Annual Parking Permit for Licensees	Included in Berthing Rates
Second Annual Parking Permit for Licensees	\$600/year
Daily Guest Pass, Transient Parking Pass	\$10.00 day

Contractors/Vendors	\$20.00/day
Visitor without Guess Pass	\$20.00/day
Late Parking Application Fee	\$50.00
Permit Replacement Fee	\$100.00
Public Parking	\$115.00/month (subject to availability)
Race crew permits	\$20.00/day up to 4 per Licensee annually
Parking Without Permits	\$100.00
Waitlist Fee	\$75.00/year
Key Replacement	\$20.00
Fob Replacement	\$22.00
Late Charge for Delinquent Payment	10% of the amount due
Returned Check	\$50.00
New or Repair dock box	\$250 + labor
New or Repair dock box lid	\$180 + labor
Harbor Services	
Repair firebox plumbing	\$75.00 (minimum) + labor
Repair plumbing	\$75.00 (minimum) + labor
After Hours Services Rate	\$100 (minimum) + labor
Vessel Chaining	\$45.00 + labor
Hazardous Materials Disposal	
Waste Oil	No charge
Contaminated oil, bilge water	No charge
Monthly Locker Rates	\$25.00-\$171.00
Locker Security Deposit	One month rent

ATTACHMENT E
South Beach Harbor
Port of San Francisco
USE OF LOCKER IN PIER 40 SHED

PLEASE PRINT

Owner Licensee

Locker Number

Account No.

Commencement Date: _____

Expiration Date: _____

In connection with the License issued to Licensee and subject to all of its terms and conditions, Port hereby grants permission to Licensee to use the storage locker in the Pier 40 Shed building ("Locker") listed above during the term of the License. This right is personal to Licensee and any attempt to Transfer this right without Port's prior express written consent shall terminate this use.

Licensee agrees to pay to Port the Fees set forth in the Fee Schedule for use of the Locker in compliance with Section 3 of the License.

Only miscellaneous, non-hazardous boating equipment, materials, and accessories may be stored in a Locker. Storage of hazardous materials is not allowed in Lockers. The items in the attached list are prohibited. Port reserves the right at any time to add to or change these prohibited items.

Licensee shall submit a semi-annual list of the contents of each Locker to the Port and shall provide such information to the Port upon Port's request at any time.

Licensee shall provide to Port an additional security deposit subject to the terms and conditions of Section 4 of the License in an amount equal to one month's Locker Fee.

In addition to termination for a default as provided in Section 12 of the License, the right to use the Locker will automatically terminate if the License expires or is terminated for any reason. Licensee must remove its possessions from the Locker immediately.

Port and its authorized agents shall have the right to inspect the Locker and its contents without notice at any time for hazardous conditions, safety concerns, and structural and engineering purposes and to determine whether Licensee is complying with the License. Port shall not be liable in any manner, and Licensee hereby waives any Claims for damages, for any inconvenience, disturbance, loss of business, nuisance, or other damage, including without limitation any abatement or reduction in Fees due hereunder, arising out of Port's entry.

Access to the Pier 40 Shed shall be during normal business hours only.

California Law requires landlords to disclose the presence or potential presence of certain petroleum hydrocarbons from two former underground tanks previously located in the vicinity of the Pier 40 shed (one removed in 1987 and one removed in 2000). Copies of reports regarding the removal of these tanks is available by contacting the Port. Licensee acknowledges its own obligations to report the discovery of hazardous materials to Port pursuant to California Health and Safety Code Section 25359.7 as well as the penalties that apply for failure to meet such obligations.

Licensee Initials and Date: _____

Port Initials and Date: _____



Prohibited Items

Licensee is prohibited from placing the following items in a Locker:

I) US DOT Hazardous Materials

II) Common household materials that are prohibited include:

A. COMBUSTIBLE LIQUIDS:

- Rubbing Alcohol
- Lubricants (Motor Oils)
- Anti-Freeze Compounds

B. CORROSIVES

- Acids
- Drain Cleaner
- Photographic Acids used in developing film
- Bleach
- Batteries (wet or dry)
- Water Purifying agents used in swimming pools

C. EXPLOSIVES

- Fireworks
- Small Arms Ammunition
- Flash Bulbs

D. FLAMMABLES

- Lighter Fluid
- Matches
- Wood Oil Stains
- Petrol-Chemical Based Garden Sprays
- Paint or Varnish
- Paint or Varnish Removers
- Butane / Propane / Gasoline (garden equipment)
- Signal Flares
- Charcoal Briquettes
- Other Fuels / Oils / Lubricants / Antifreeze

E. COMPRESSED GASES

- Aerosol cans
- Fire extinguishers
- Scuba diving tanks

F. OTHER MATERIALS

- Live plants and animals
- Perishable goods or materials
- Pharmaceuticals / Controlled Substances
- Refuse / garbage, compost, recyclables



MEMORANDUM

October 8, 2015

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Doreen Woo Ho

FROM: Monique Moyer *MMoyer*
Executive Director

SUBJECT: Request approval i) of the Crane Cove Park project; ii) to include \$8,695,000 in the fourth sale of 2008 Clean and Safe Neighborhood Parks General Obligation Bonds for the Crane Cove Park project; and iii) of adoption of California Environmental Quality Act Findings and a Mitigation Monitoring and Reporting Program in connection with the construction of Crane Cove Park project (located within the Pier 70 area and portions of Sea Wall Lot 345, east of Illinois Street between 19th and Mariposa Streets) (This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code)

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

EXECUTIVE SUMMARY

Port staff is seeking authorization from the Port Commission to approve the Crane Cove Park Project (Project) and issue bonds through the City's Office of Public Finance, pursuant to voter authorization of the 2008 General Obligation Clean and Safe Parks (CSP) Bonds. This will be the Port's fourth and final sale of the Series 2008 CSP Bonds and net proceeds from the sale will be allocated towards construction of Crane Cove Park. Crane Cove Park is to be located within the Pier 70 area and is one of the signature new parks within the Port's portion of the Blue Greenway.

Strategic Plan Objective: The Project is consistent with the Port's strategic plan objective identifying and prioritizing the Pier 70 and Blue Greenway projects as vehicles to create vibrant new neighborhoods for residents, commercial and industrial/production

THIS PRINT COVERS CALENDAR ITEM NO. 10C

distribution and repair (PDR) businesses. The Blue Greenway project, which includes Crane Cove Park, incorporates major new parks and public access while maintaining the integrity of industrial maritime berthing and ship repair operations.

BACKGROUND

On February 5, 2008, San Francisco's voters approved a \$185 million General Obligation bond measure entitled the 2008 Clean and Safe Neighborhood Parks General Obligation Bond ("2008 GO Bond") of which \$33.5 million is allocated to the Port for waterfront parks. The Bond Ordinance (No. 237-07), passed on October 24, 2007 which placed the 2008 GO Bonds on the ballot, requires that the Port Commission approve each project prior to expenditure of bond funds.

The purpose of this item is to request Port Commission approval to apply the remaining funds from the 2008 GO Bond measure to the Project (*see Exhibits 1 - 5, Crane Cove Park Schematic Plan and Perspective Views*) and for the Port Commission to approve the Project. If approved, this would be the fourth and final sale of Series 2008 bonds, which the City expects to take place in November of 2015 (*for more details see Exhibit 6 Bond Accountability Report, 4th Sale, September 2015*).

The 2008 GO Bond project allocations were initially planned as follows:

Pier 43 ½ Promenade	\$ 7,655,330
Brannan Street Wharf	2,941,050
Blue-Greenway Projects	22,114,772
o Bayfront Park	
o Tulare Park	
o Crane Cove Park	
o Bayview Gateway	
o Warm Water Cove	
o Heron's Head Park	
o Blue-Greenway Design Guidelines	
o Blue Greenway Signage and Site Furnishings	
CEQA Review and Permitting	444,040
Total Project Allocations:	33,155,192
Bond Issuance Costs	<u>344,808</u>
<i>Total Allocation to Waterfront Parks Projects</i>	<i>\$33,500,000</i>

Through the Blue Greenway community planning process and the development of the Blue Greenway Planning and Design Guidelines, specific funding amounts were appropriated for each of the Blue Greenway projects. The Tulare Park and Warm Water Cove projects were deprioritized because of cost, the need for coordination with sister city agencies on underground utilities and a determination that the investment is too early based upon surrounding land use conditions.

On July 8, 2008, the Port Commission approved the Port's projects for inclusion in the City and County of San Francisco's first issuance of the 2008 GO Bonds, which took place in August 2008. The Port received in the first issuance \$3.64 million. Those bond proceeds funded all required environmental review for each Port project and certain pre-construction costs, with the exception of the Brannan Street Wharf project.

On December 8, 2009, the Port Commission authorized the issuance of the second sale of 2008 GO Bonds¹. The Port received \$10.62 million for the Pier 43 Bay Trail Link, Blue Greenway and the Bayfront Park shoreline projects. The bond sale occurred in March of 2010. This bond sale funded the majority of the construction of both Pier 43½ and Bayfront Park edge, as well as complete purchase and installation of all signage and wayfinding for the Blue-Greenway, completing the Blue-Greenway Design Standards project.

On January 20, 2012, the Port Commission authorized the issuance of the third sale of 2008 GO Bonds². The Port received \$10.39 million for the Brannan Street Wharf and Blue Greenway projects. The bond sale occurred in March of 2012. This bond sale primarily funded the construction of the Brannan Street Wharf, Heron's Head Park, and the Bayview Gateway, with additional funding allocated towards the design of Crane Cove Park and the Blue Greenway Public Art.

Bond Sale	Date	Amount
1	August, 2008	\$ 3.64 million
2	March, 2010	\$10.62 million
3	March, 2012	\$10.39 million
4	November, 2015 ³	\$ 8.69 million
Total		\$33.34 million

To date, the Port has spent or encumbered 95% of the \$24.66 million in bond proceeds from the first, second, and third sales.

Crane Cove Park Construction for the Fourth Bond Sale

Port staff proposes that the bond proceeds be used for the construction of Crane Cove Park in the amount shown below:

Crane Cove Park	\$8,499,467
Bond Issuance Costs	178,534
CSA Audit Fee	16,999
Total Fourth Sale	\$8,695,000

¹ See Port Commission Staff report at <http://www.sfport.com/ftp/uploadedfiles/meetings/supporting/Item%208B%20AGO%20Bond%20Report.pdf>

² See Port Commission Staff report at <http://www.sfport.com/modules/showdocument.aspx?documentid=3233>

³ Sale anticipated for November 2015

The table below shows the total project budgets, and contributions from the four issuances of 2008 General Obligation Clean and Safe Parks Bonds, including the upcoming 4th and final sale.

**2008 Clean and Safe Neighborhood Park G.O. Bond
Waterfront Parks Program Revenue and Bond Sale Summary**

Project Name	Current Budget (All Sources)	2008 Clean and Safe Parks Bond				Bond Issue Total
		1 st Sale	2 nd Sale	3 rd Sale	4 th Sale	
Pier 43 Bay Trail Link	10,169,038	1,293,946	6,333,584	27,800	-	7,655,330
Brannan Street Wharf Park	25,004,079	-	-	2,941,050	-	2,941,050
Blue Greenway Design Standards	325,472	325,472	-	-	-	325,472
Blue Greenway Signage and Site Furnishings	998,912	275,195	-	723,717	-	998,912
Blue Greenway Improvements						
Bayfront Park	2,330,367	426,043	1,904,324	-	-	2,330,367
Tulare Park	199,853	-	65,016	134,837	-	199,853
Crane Cove Park	31,259,058	155,389	1,269,013	608,779	8,499,467	10,532,648
Bayview Gateway	4,792,520	174,353	869,375	3,648,792	-	4,692,520
Heron's Head Park	2,397,861	550,000	-	1,801,000	-	2,351,000
Blue Greenway Public Art	684,000	-	175,000	509,000	-	684,000
CEQA Review and Permitting	444,040	444,040	-	-	-	444,040
Bond Issuance Costs*	344,808	32,509	50,579	66,187	195,533	344,808
WATERFRONT PARKS PROGRAM TOTAL	78,950,008	3,676,947	10,666,891	10,461,162	8,695,000	33,500,000

*Includes \$16,999 for the City Services Auditor (CSA) Audit fee

CRANE COVE PARK PROJECT PLAN AND DESIGN

The Crane Cove Park project (the Project) has undergone thorough review by the Port Commission, the public and was approved by the City's Waterfront Design Advisory Committee and the San Francisco Bay Conservation and Development Commission (BCDC) Design Review Board in July 2014.

The project will be constructed in two or more phases with an initial phase budget of \$31,475,904 as described in more detail below. The Port anticipates putting the project out for the first bid packages for construction in early 2016, and having final awards bid in August of 2016 (see *Delivery* section below for more discussion).

The Project is a long-standing project of the Port, and was first identified as a project in the Port's Waterfront Land Use Plan adopted in 1997. The project was further articulated in the Port's Pier 70 Preferred Master Plan endorsed by the Port Commission in 2010, the City's Eastern Neighborhoods, Central Waterfront Plan approved by the Planning Commission in 2008 and the Blue Greenway Planning and Design Guidelines.

The Port Commission has received periodic updates as to the status of the Crane Cove Park Project including at the September 14, 2014 Port Commission meeting.⁴

⁴ (see Port Commission Staff Report
<http://www.sfport.com/modules/showdocument.aspx?documentid=8678>)

The park program includes adaptive reuse of the ship building slipway and cranes as a plaza and park entry, construction of a sandy shoreline for human powered boats, a human powered boating aquatic center, a large multi-purpose lawn, children's play areas, park pavilion, native planting areas and an extension of 19th Street to serve as a park entrance and access for the ship repair yard and future connection of the Blue Greenway to the eastern shoreline of Pier 70 (see Exhibits 1-5 Schematic Design and Perspective Views). Phase I will deliver approximately five acres of an eventual 10 acre park. Once completed the park will serve a variety of users including boaters, children, families, bicyclists, historians, light recreation and could host a variety of special events.

The design of the project takes into consideration future Sea Level Rise (SLR). The current design elevations of the Crane Cove Park project responds to projected SLR calculations based upon 16" rise by 2055 and 55" by 2100 with an expected project design of 50 years thus accommodating sea level rise to a minimum of 2065 (+28"). The project design anticipates that beginning in 2065 some park access restrictions, and significant maintenance, will be required during and after extreme storm events during high tides. To some extent, improvements at Crane Cove Park will also help in protecting other City assets including Illinois Street and properties to the west.

The initial phase of the project is to construct the western portions of the site, including the adaptive reuse of slipway #4 (See Exhibit 7, Proposed Phasing Plan).

PROJECT FUNDING, DELIVERY AND SCHEDULE

Funding

The Crane Cove Park Project will be delivered in multiple phases with the first phase of funding coming from the following sources:

• 2008 G.O. Parks Bond	\$10,532,648 ⁵
• 2012 G.O. Parks Bond	\$14,300,000
• Transbay Cable Community Benefits Funds	\$ 4,353,139
• Pier 70 Sediment Cap	\$ 300,000
• MTC Priority Conservation Area Grant	\$ 1,000,000
• Pier 70 Federal Economic Developmental Administration Funds	\$ 535,663
• 2008 Parks Bond Interest	\$ 454,454
Total	\$31,475,904

The total Crane Cove Park project is currently estimated at \$61 million in 2015 dollars. Port staff will continue to pursue various funding options to complete future phases of Crane Cove Park, including use of Tax Increment Financing through the creation of an Infrastructure Financing District within Pier 70, future G.O. Bonds and potentially grants or philanthropic resources.

Delivery

The Project is complex due to scope and site conditions, which include the rehabilitation of the historic resources, the geotechnical constraints of being on bay fill, site and

⁵ \$1,837,648 sold at the 3rd Bond sale remaining: \$8,695,000 to be sold in 4th (this) sale



sediment contamination which requires remediation and shoreline improvements. Due to this complexity, the Port is considering multiple delivery options, including through the use of: 1) Construction Management - General Contractor (CMGC) delivery mechanism similar to how the Port delivered the Pier 27 James R. Herman Cruise Terminal and Cruise Terminal Plaza; 2) multiple design/bid/build construction contract packages; and 3) utilizing standard city practice of a single design/bid/build construction contract.

The CMGC method improves the ability to design and deliver a project within the established budget and schedule by engaging a contractor during the design process that can assist in constructability and cost estimating, thereby reducing design and bidding risk. Using a traditional approach, multiple bid packages can accelerate the overall schedule by allowing work to begin on grading and ground improvement while design of topside improvements is being finalized. Additionally, this method allows work to begin on certain areas of the park that do not require United States Army Corps of Engineer Permits (USACOE) that could potentially cause schedule delays. Bidding some work early would be particularly beneficial on portions of the site that need to be surcharged to address and reduce future site settlement due to geotechnical conditions. The standard single bid process results in the latest project delivery date.

Schedule

The project schedule is dependent upon the project delivery method chosen as described above and the securing of necessary permits as described further below. The Port anticipates putting the first bid packages out in early 2016 with completion by late 2017. The 2008 GO Bond proceeds will be directed to this early work.

PERMITS AND APPROVALS

The Crane Cove Park project requires three regulatory permits: a Major Permit from BCDC anticipated to be issued in February 2016; a 401 Water Quality Certificate from the California Bay Area Regional Water Quality Control Board (RWQCB) which is expected by September 2016; and an Individual Project Permit from the USACOE, which is expected by November 2016. All three permits are required for in-water work; in addition the BCDC permit is required for improvements within 100' of the shoreline as measured from Mean High Water. Portions of the project fall outside of these permit jurisdictions, which would allow some work to occur prior to issuance of these permits.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

California Environmental Quality Act Guidelines Section 15183 provides an exemption from environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an environmental impact report (EIR) was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the proposed project or its site. Section 15183 specifies that examination of such a project's environmental effects shall be limited to those effects that: a) are peculiar to the project or parcel on which the project would be located; b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent; c) are potentially significant off-site and cumulative impacts

which were not discussed in the underlying EIR; or d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for the project solely on the basis of that impact.

The proposed Project is within the Eastern Neighborhoods Community Plan Area, for which the San Francisco Planning Commission certified the *Eastern Neighborhoods Rezoning and Area Plans Final EIR* (EN FEIR) (Planning Department Case No.2004.0160E and State Clearinghouse No.2005032048). Thus, the Planning Department reviewed the proposed Project to determine if a community plan exemption under CEQA Guidelines Section 15183 would be appropriate and determined that the EN FEIR incorporated and adequately addressed all potential impacts of the proposed Project. The Planning Department determined that the proposed Project would not have any additional or significant adverse effects that were not examined in the EN FEIR, nor has any new or additional information come to light that will alter the conclusions of the EN FEIR. Thus, the proposed Project will not have any new effects on the environment that were not previously identified, nor will any environmental impacts be substantially greater than described in the EN FEIR. No mitigation measures previously found infeasible have been determined to be feasible, nor have any new mitigation measures or alternatives been identified but rejected by the Port. Therefore the Project is exempt from further environmental review under CEQA.

Thus, the San Francisco Planning Department prepared a Community Plan Exemption (CPE) for the proposed Project, which was approved on October 5, 2015. A copy of the approved CPE is on file with the Port Commission Secretary and is also available online through the Planning Department's web page. All applicable mitigation measures from the EN FEIR have been incorporated into the proposed Project or will be required as conditions of approval through the Port Commission's adoption of the Mitigation Monitoring and Reporting Program (MMRP) attached herein Exhibit 8.

The CPE identifies certain mitigation measures identified in the EN FEIR to avoid potential significant negative effects. The Port will be responsible for implementing and in certain instances monitoring the measures which are fully described in the MMRP attached as Exhibit 8 to this Memorandum.

The Community Plan Exemption was issued for all phases of the project and included Mitigation and Improvement Measures (see *Exhibit 8, MMRP*). This CPE concludes the environmental review of the project consistent with CEQA and allows the Port Commission to take action on the Project.

If the Port Commission approves the proposed Project through the attached Resolution based on the CPE, its action constitutes the "Approval Action" (as defined in S.F. Administrative Code Chapter 31, as amended, Board of Supervisors Ordinance Number 161-13). As such, the CPE prepared in support of this Approval Action will be subject to



appeal within the time frame specified in S.F. Administrative Code Section 31.16. Typically, an appeal must be filed within 30 calendar days of the Approval Action.⁵

ACTION REQUESTED

Port staff request that the Port Commission approve the attached resolution approving the Project for inclusion in and authorizing the fourth and final sale of the 2008 General Obligation Clean and Safe Parks Bonds and the allocation of proceeds towards construction of Crane Cove Park.

Prepared by: James Hurley, Feasibility Analyst, Planning & Development
David Beaupre, Waterfront Planner, Planning & Development

For: Elaine Forbes, Deputy Director, Finance and Administration
Byron Rhett, Deputy Director, Planning and Development

Exhibits:

- 1 – 5. Crane Cove Park Schematic Plan and Perspective Views
- 6. Bond Accountability Report, 4th Sale, September 2015
- 7. Crane Cove Park Phasing
- 8. Crane Cove Park CPE MMRP

⁵ For information on filing an appeal under Chapter 31, see the Port Commission agenda under NOTICES and contact the Clerk of the Board of Supervisors at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco CA 94102, or call (415) 554-5184

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 15-38

- WHEREAS, On February 5, 2008 San Francisco's voters approved a \$185 million Clean and Safe Neighborhood Parks General Obligation bond measure (the "2008 GO Bonds"); and
- WHEREAS, the Crane Cove Park project (Project) (located within the Pier 70 area and portions of Sea Wall Lot 345, east of Illinois Street between 19th and Mariposa Streets) is consistent with the Port's strategic plan objective to prioritize the Pier 70 and Blue Greenway projects; and
- WHEREAS, the 2008 GO Bonds include \$33.5 million for waterfront park projects on Port property; and
- WHEREAS, the 2008 Parks Bond Ordinance (No. 237-07) which placed the question on the February 5, 2008 ballot requires Port Commission review and approval of projects prior to the expenditure of bond funds; and
- WHEREAS, the fourth and final 2008 GO Bond issuance will include \$8,695,000 for Crane Cove Park inclusive of issuance and City Services Auditor (CSA) audit costs; and
- WHEREAS, the Project is a long standing project of the Port and was first identified as a project in the Port's Waterfront Land Use Plan adopted in 1997; and
- WHEREAS, the Project has undergone thorough review by the Port Commission, the public and was approved by the City's Waterfront Design Advisory Committee and the San Francisco Bay Conservation and Development Commission Design Review Board in July 2014; and
- WHEREAS the Project was further articulated in the Port's Pier 70 Preferred Master Plan endorsed by the Port Commission in 2010 and the Blue Greenway Planning and Design Guidelines; and
- WHEREAS the Project includes adaptive reuse of the ship building slipway and cranes as a plaza and park entry, construction of a sandy shoreline for human powered boats, a human powered boating aquatic center, a large multi-purpose lawn, children's play areas, park pavilion, native planting areas and an extension of 19th Street to serve as a park entrance and access for the ship repair yard; and
- WHEREAS, The Project is within the Eastern Neighborhoods Community Plan Area, for which the San Francisco Planning Commission certified the

Eastern Neighborhoods Rezoning and Area Plans Final EIR (EN FEIR)
(Planning Department Case No. 2004.0160E); and

- WHEREAS, The Planning Department reviewed the Project and determined that a community plan exemption under CEQA Guidelines Section 15183 would be appropriate because the Project is within the scope of the EN FEIR and would not have any additional or significant adverse effects that were not examined in the EN FEIR, no new or additional information came to light that will alter the conclusions of the EN FEIR and the proposed Project will not have any new effects on the environment that were not previously identified in the EN FEIR, the environmental impacts will not be substantially greater than described in the EN FEIR and no mitigation measures previously found infeasible have been determined to be feasible, and no new mitigation measures or alternatives been identified but rejected by the Port; and
- WHEREAS, The San Francisco Planning Department prepared a Community Plan Exemption (2015-001314ENV) for the proposed Project, which was approved on October 5, 2015, and which this Port Commission has reviewed; and
- WHEREAS, A copy of the Community Plan Exemption is on file with the Port Commission Secretary and is also available online at the SF Planning department; and
- WHEREAS, All applicable mitigation measures from the EN FEIR have been incorporated into the proposed Project or will be required as conditions of approval through the adoption of the attached Mitigation Monitoring and Reporting Program (MMRP); and
- WHEREAS, The proposed action is the Approval Action as defined by S.F. Administrative Code Chapter 31; now, therefore be it
- RESOLVED, That the Port Commission adopts and incorporates by reference as though fully set forth herein the MMRP, attached as Exhibit 8 to the Memorandum for Agenda Item 10D for the Port Commission meeting on October 13, 2015; and be it further
- RESOLVED, that the Port Commission hereby approves the Crane Cove Park project and the allocation to the project of \$8,695,000 of proceeds from the fourth and final sale of the 2008 GO Bonds.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 13, 2015.

Secretary

northern shoreline



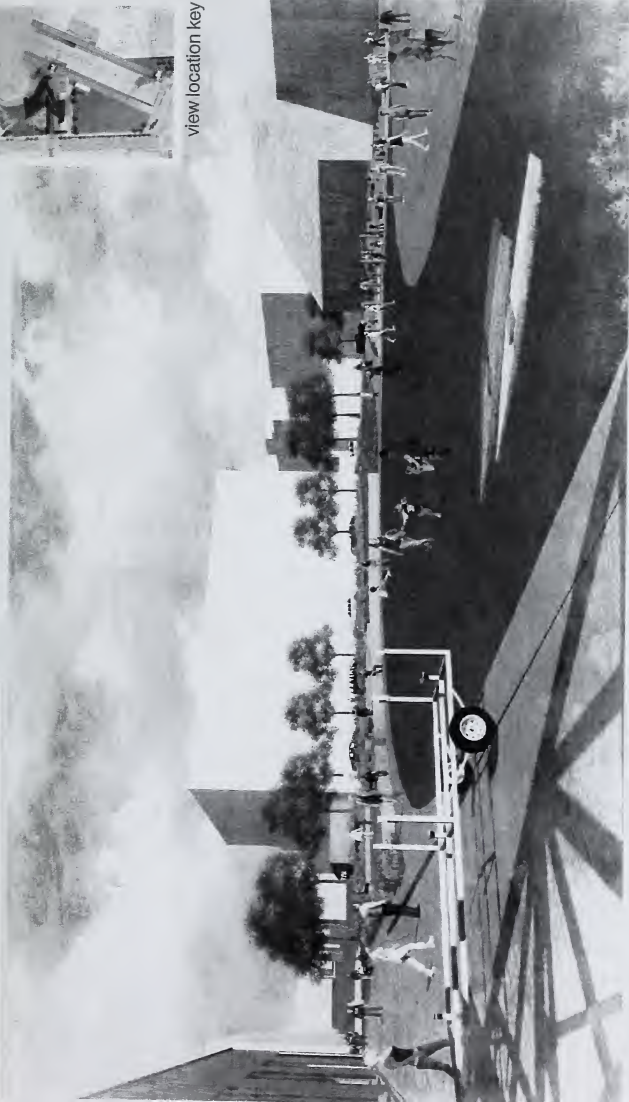
view location key



Exhibit 2

Perspective View
view along shoreline walk looking south

northern shoreline



view location key

Exhibit 3

Perspective View
view looking west from drop-off (north of building 49)

crane plaza slipway steps



view location key

Exhibit 4

Elevated Perspective View Looking west to Crane Plaza

keel park (slipway 4)



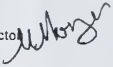
Exhibit 5

Aerial Perspective View
Looking west to Slipway 4 & Northern Shoreline



EXHIBIT 6

To: Angela Calvillo, Clerk of the Board of Supervisors
Ben Rosenfield, City Controller
José Cisneros, City Treasurer
Nadia Sesay, Director of the Controller's Office of Public Finance
Harvey Rose, Budget Analyst

From: Monique Moyer, Port of San Francisco Executive Director 

Date: September 22, 2015

In accordance with Administrative Code 2.70, attached please find a copy of the 2008 San Francisco Clean and Safe Neighborhood Parks Bond Accountability Report. With the issuance of the Report, the Port of San Francisco would like authorization to precede with the sale of \$8,695,000 in General Obligation Bonds. This will be the 4th and final 2008 bond sale and will fund the construction of Phase 1 of the Crane Cove Park in the amount of \$8,499,467. The 4th bond sale will also fund \$169,839 for bond issuance expenses and \$8,695 for payment into the Citizens' General Obligation Bond Oversight Committee Audit Fund.

Should you have any questions, please contact Elaine Forbes, Port of San Francisco's Deputy Director of Finance and Administration at (415) 274-0445.

cc: Citizens General Obligation Bond Oversight Committee

2008 Clean & Safe Neighborhood Parks Bond



BOND ACCOUNTABILITY REPORT

4th Bond Sale

September 2015



2008 Clean & Safe Neighborhood Parks Bond

Bond Accountability Report

September 2015

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1.0 Executive Summary

4th Bond Sale Plan

The Port of San Francisco requests the City to sell \$8,695,000 in 2008 Clean and Safe Neighborhood Park Bonds for Crane Cove, a blue-greenway Waterfront park. For a detailed description of the Crane Cove park project, refer to Section 3.0 4th Bond Sale Project Details. An estimated breakdown of the proposed sale is as follows.

Waterfront Parks

Crane Cove Park	\$8,499,467
<i>Waterfront Parks Projects Total</i>	<i>\$8,499,467</i>

Miscellaneous Sale Costs

CGOBOC Audit Fund	\$8,695
Bond Issuance Costs	\$169,839
Controller's Audit Services	\$16,999

Total 4th Bond Sale Amount	\$8,695,000
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2008 Clean and Safe Neighborhood Parks

Program Background - Recreation and Parks

Bond Program Summary

- In February of 2008 the citizens of San Francisco passed Proposition A, a \$185.0 million General Obligation Bond, known as the 2008 Clean and Safe Neighborhood Parks Bond.
- The \$185 million in bond funding is divided into two allocations based on the jurisdiction of the parks and facilities scheduled to receive funding, with \$151.3 million committed to the Recreation and Parks Department and \$33.5 million dedicated to the Port of San Francisco. In addition, \$185,000 (1%) is set aside in a Citizens' General Obligation Bond Oversight Committee Audit fund
- The objectives of this bond program are as follows: 1) Fix and improve park restrooms citywide; 2) Eliminate serious earthquake safety risks in neighborhood and waterfront park facilities; 3) Develop new waterfront parks; 4) Renovate parks and playgrounds in poor physical condition; 5) Replace dilapidated playfields; 6) Repair nature trail systems in the city's parks; and 7) Attract matching community and philanthropic support.

- The Recreation and Parks Department's 2008 Clean and Safe Neighborhood Parks Bond Program is divided into six sub-programs. The bulk of funding (80%) is dedicated to funding Major Capital Renovations at 12 Neighborhood Parks. The remaining funds (20%) are divided between five City-Wide programs.
 - Major capital renovation of Neighborhood Parks. The bond program allocates the majority of its funds to capital improvements at Neighborhood Parks across the city. These parks were selected based on the extent to which they are unsafe in an earthquake, in poor physical condition, as well as their ability to provide basic, recreational uses to many San Franciscans.
 - Restroom Repair and Replacement Program. Many of the city's park restrooms are in a state of severe dilapidation; some bathrooms require replacement, others require repairs, and some parks need restrooms. The \$11.4 million will fund a restroom replacement, repair, and installation program. Sites will be chosen in coordination with the community, through an open process guided by the Recreation and Parks Department Commission
 - Park Playfield Repairs and Reconstruction. The City's playfields have been "loved to death"- overused due to a citywide shortage of soccer, baseball and multi-use fields. With the growing demand of field athletics, it is difficult to meet demand while keeping the fields at an acceptable condition. Over the past five years, a successful public/private partnership between the Recreation and Parks Department and the City Fields Foundation has resulted in the renovation of playfields at 6 park facilities with a current philanthropic contribution of over \$14 M. Each field has become some of the most requested play fields by park users. These renovated fields are improved by the installation of synthetic turf and night lighting which increased play time by more than 31,000 hours, while reducing maintenance needs and water demand. This \$8.5 million will continue that partnership.
 - Park Forestry Needs. Over 100,000 trees populate the city's parks and open spaces. These funds will provide for an assessment of the health and condition of

1.0 Executive Summary

this urban forest, as well as provide resources to enact the recommendations of the assessment and plant new trees.

- o Park Trail Reconstruction. The 2004 Recreation Assessment identified walking and biking trails as the #1 most needed recreational amenity; residents also cited hiking and visiting nature as the two activities in which they would like to participate in more often. The Park Trail Reconstruction program will restore trails and make capital improvements that allow residents to enjoy and experience nature in the parks.
- o Community Opportunity Grants. The Community Opportunity Grants Program is a capital grant program that allows residents, neighborhood groups and park advocates to initiate repairs and community-nominated capital projects with other private gifts and grants.

Program Background - Waterfront Parks

- The Port of San Francisco's Waterfront Parks program includes community planning efforts for the Blue Greenway and constituent parks, as well as new open space projects in the northern central waterfront. The program will add or improve seven open spaces and total \$33.5 million.

Program Budgets and Funding

The initial budgets for capital projects to be funded by the 2008 Clean and Safe Neighborhood Parks bond is shown below. The current budgets for these projects are provided in Section 2 of this report.

- Budgets

Recreation and Parks Department:

Major Capital Program	
Chinese Recreation Center	14.2
Mission Playground	7.5
Palega Recreation Center	21.2
Cayuga Playground	7.3
McCoppin Square	5.3
Sunset Playground	13.7
Fulton Playground	4.2
Mission Dolores Park	13.2
Cabrillo Playground	4.5

Recreation and Parks Department (cont.):

Glen Canyon Park	5.8
Lafayette Park	10.2
Raymond Kimbell Playground	3.3
NP Contingency Funds	4.7

Major NP Projects Program \$115.1M

Citywide Programs	
Restroom Repair Program	11.4
Park Playfields Program	8.5
Park Forestry Program	4.0
Park Trail Program	5.0
Community Opportunity Fund	5.0

Other Citywide Programs	\$33.9M
Bond Issuance Costs	\$2.3

RPD Bond Program Total	\$151.3M
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Port of San Francisco:

Major Capital Program	
Pier 43 Bay Trail Link	7.7
Brannan Street Wharf	2.9
Blue-Greenway Improvement	21.9
Blue-Greenway DS Standard	.3
CEQA Review & Permitting	.4
WP Bond Issuance Cost	.3

Major WP Projects Program	\$33.5M
CGOBOC Audit Costs	.2

TOTAL Bond Program	\$185.0M
---------------------------	-----------------

- Funding

Based on the adopted project budgets and schedules, a plan was developed to break funding into four sales as detailed below:

- o Sale 1 was completed in August 2008 to fund planning and design for the first 7 of 12 Major Capital projects (Phase I). Citywide Programs, development of design standards for Waterfront Parks and the construction for some Waterfront Parks.
- o Sale 2 was completed in early April 2010 to fund: (i) Citywide Programs; (ii) the construction of the Recreation and Parks Department's Phase I projects; (iii) construction of Waterfront Parks; (iv) planning and design of the remaining

1.0 Executive Summary

five Major Capital projects of the Recreation and Parks Department's (Phase II Programs); (v) and planning, design and construction of Waterfront Parks.

- o Sale 3 completed in February 2012 funded the detailed design and construction of Waterfront Parks, and all remaining Recreation and Parks Department parks projects.
- o Sale 4 will fund construction of the Crane Cove Waterfront Park.

The sale forecast developed for the projects managed by the Recreation and Parks Department and the Port of San Francisco is as follows:

Bond	Date	SFRPD	SF Port	Other
1 st Sale	8/2008	\$38,457,502	\$3,644,438	\$418,060
2 nd Sale	3/2010	\$49,415,317	\$10,616,312	\$398,371
3 rd Sale	2/ 2012	\$62,299,884	\$10,394,975	\$660,141
4 th Sale	TBD	\$0	\$8,499,467	\$195,533
TOTAL		\$150,172,703	\$33,155,192	\$1,672,105
BOND ISSUE TOTAL				\$185,000,000

Accountability Measures

The 2008 Clean and Safe Neighborhood Parks Bond includes specific project names in its governing ordinance and a comprehensive set of public oversight and accountability measures that apply to each of the funding areas covered by the bond. Oversight measures include:

- Regular public reporting of bond expenditures through a dedicated bond website updated monthly. Website is accessible for public viewing at parkbonds.sfgov.org/2008.
- Annual review before the Park, Recreation and Open Space Advisory Committee (PROSAC), Recreation and Park and Port Commissions, Capital Planning Committee (CPC), and Board of Supervisors as part of the 10-year capital plan and annual capital budget processes. The Recreation and Park Commission will hold at least one meeting per year to solely discuss and review implementation of the general obligation bond. In addition, an item will be scheduled to review implementation of the bond once a month at regularly scheduled Commission meetings.

- The Citizens' General Obligation Bond Oversight Committee (CGOBOC) reviews, audits, and reports on the expenditure of bond proceeds in accordance with the will of the voters. CGOBOC will submit audits and reports to PROSAC, Recreation and Park and Port Commissions, Board of Supervisors and the Mayor's Office.
- 60 days prior to the issuance of any portion of the bond authority, the requesting department must submit a bond accountability report to the Clerk of the Board, the Controller, the Treasurer, the Director of Public Finance, and the Budget Analyst describing the current status and description of each proposed project and whether it conforms to the expressed will of the voters, unless waived by legislation. This report before you is intended to satisfy the reporting requirement of this provision.

Program Management Activities

Recreation and Park Department

Rec and Park has completed design and funded through construction and closeout the majority of the work in the 2008 bond projects. This program received its 3rd and Final Bond issuance in 2012, and has minimal funding available, all of which has been appropriated to the projects and programs.

Port of San Francisco

The Port has instituted a standing monthly, inter-Divisional meeting on all bond projects in order to more closely track progress and offer assistance among parties when needed. The final project for the 2008 Bond is Crane Cove Park, part of *Blue-Greenway improvements*, which also includes funding from the 2012 bond. This project is expected to be out to bid in February 2016.

Program Schedule

- RPD is completing its Neighborhood Park projects. Kimbell Playground was opened to the public in June 2015, as well as the Northern portion of Mission Dolores Park now open. Currently only the Southern portion of Mission Dolores still in construction (through the end of 2015). Work is completing in the Citywide Programs: the last of the restroom projects are either finishing design (Alamo Square) or are in construction (Dupont Courts), the Community Opportunity Funds from 2008

1.0 Executive Summary

are fully allocated and in planning/design and construction, and the last of the Playfields sites, at Beach Chalet, is set to reopen in Fall 2015. Trails and Forestry are continuing to fund sites and site needs throughout the system. The 2008 funds are almost fully expended, but have a continuing funding stream from the 2012 Bond to ensure that current and future parks can have their specific trail and tree needs met.

Port of San Francisco

The last remaining project for the 2008 Bond is Crane Cove Park, the project is anticipated to go out to bid in the February of 2016 and construction completed in Nov of 2017. The 4th and final bond sale will support construction of Crane Cove Park.

Environmental Review

Environmental clearance consistent with the California Environmental Quality Act (CEQA) has been received for all program projects with the exception of the Port's Crane Cove Park project. The environmental review for this project is currently in process and is estimated to be completed October 5, 2015.

2.0 Bond Budget and Schedule

2008 Clean and Safe Neighborhood Park G.O. Bond Waterfront Parks Program Revenue and Bond Sale Summary

	Budget ¹		2008 Clean and Safe Parks Bond				Bond Issue	
	ProForma ²	Current	1 st Sale	2 nd Sale	3 rd Sale	4 th Sale	Total	Total
Waterfront Parks Program								
Pier 43 Bay Trail Link	7,842,800	10,169,038	1,293,946	6,333,584	27,800	-	-	7,655,330
Brannan Street Wharf Park	25,544,030	25,004,079	-	-	2,941,050	-	-	2,941,050
Blue Greenway Design Standards	980,350	325,472	325,472	-	-	-	-	325,472
Blue Greenway Signage and Site Furnishings	21,077,525	998,912	275,195	-	723,717	-	-	998,912
Blue Greenway Improvements								
Bayfront Park ³		2,330,367	426,043	1,904,324	-	-	-	2,330,367
Tulare Park ³		199,853	-	65,016	134,837	-	-	199,853
Crane Cove Park ³		31,259,058	155,389	1,269,013	608,779	8,499,467	-	10,532,648
Bayview Gateway ³		4,792,520	174,353	869,375	3,648,792	-	-	4,692,520
Heron's Head Park ³		2,397,861	550,000	-	1,801,000	-	-	2,351,000
Blue Greenway Public Art ³		684,000	-	175,000	509,000	-	-	684,000
CEQA Review and Permitting		444,040	444,040	-	-	-	-	444,040
WP Bond Issuance Costs ⁴	658,275	344,808	37,509	50,579	66,187	195,533	-	344,808
WATERFRONT PARKS PROGRAM TOTAL	56,102,980	78,950,008	3,676,947	10,666,891	10,461,162	8,695,000	-	33,500,000

¹ The project budgets include funding from all sources.

² ProForma budget refers to the basic baseline budgets prepared for funding purposes and presented in the Proposition A,

2008 Clean and Safe Neighborhood Park Bond Report.

³ Represents parks that are Port components of the Blue Greenway. Public art will be installed both within the parks and along the Blue Greenway linking streets. The total investment in the Port's portion of the Blue Greenway, including landscape improvements, signage and site furnishings, public art, and planning and design totals \$42,988,043.

⁴ Per the 2008 Bond Report, each program is to be assessed a pro-rated share of bond issuance costs. The original estimate of those costs for the Waterfront Parks Program was \$658,275. The current estimate of \$344,808 reflects cost savings achieved in the first three issues, and estimated issuance cost for the upcoming fourth bond sale.

2.0 Bond Budget and Schedule

2008 Clean & Safe Neighborhood Park G.O. Bond Program Budget Reports - Expenditures as of 6-30-2015

Project	Phase	Category	Baseline Budget		Budget		Reserve		FAMS		Encumbered		Balance	
			2008 CSP Bond	2008 CSP Bond	2008 CSP Bond	2008 CSP Bond	2008 CSP Bond	2008 CSP Bond	2008 CSP Bond	2008 CSP Bond	2008 CSP Bond	2008 CSP Bond	2008 CSP Bond	2008 CSP Bond
Pier 03 Hwy Trail Link		Soft Costs	2,200,000	1,217,000	-	-	-	-	-	-	-	-	-	-
		Construction Costs	7,993,037	9,438,330	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	10,193,037	10,655,330	10,655,330	10,655,330	10,655,330	10,655,330	10,655,330	10,655,330	10,655,330	10,655,330	10,655,330	10,655,330
Blairman Street Ward Park		Soft Costs	3,299,206	2,941,550	-	-	-	-	-	-	-	-	-	-
		Construction Costs	22,548,404	2,941,550	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	25,847,610	5,883,100	5,883,100	5,883,100	5,883,100	5,883,100	5,883,100	5,883,100	5,883,100	5,883,100	5,883,100	5,883,100
Blue Greenway Planning & Design / Audubon		Soft Costs	323,472	325,472	-	-	-	-	-	-	-	-	-	-
		Construction Costs	-	-	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	323,472	325,472	325,472	325,472	325,472	325,472	325,472	325,472	325,472	325,472	325,472	325,472
Bayfront Park		Soft Costs	443,150	443,150	-	-	-	-	-	-	-	-	-	-
		Construction Costs	1,867,471	1,867,471	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	2,310,621	2,310,621	2,310,621	2,310,621	2,310,621	2,310,621	2,310,621	2,310,621	2,310,621	2,310,621	2,310,621	2,310,621
Heater's Head Park		Soft Costs	151,000	151,000	-	-	-	-	-	-	-	-	-	-
		Construction Costs	2,245,991	2,245,991	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	2,396,991	2,396,991	2,396,991	2,396,991	2,396,991	2,396,991	2,396,991	2,396,991	2,396,991	2,396,991	2,396,991	2,396,991
Tanner Park		Soft Costs	263,885	263,885	-	-	-	-	-	-	-	-	-	-
		Construction Costs	-	-	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	263,885	263,885	263,885	263,885	263,885	263,885	263,885	263,885	263,885	263,885	263,885	263,885
Blue Greenway Public Art		Soft Costs	100,000	100,000	-	-	-	-	-	-	-	-	-	-
		Construction Costs	584,000	584,000	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	684,000	684,000	684,000	684,000	684,000	684,000	684,000	684,000	684,000	684,000	684,000	684,000
Crane Creek Park		Soft Costs	4,900,000	2,033,181	-	-	-	-	-	-	-	-	-	-
		Construction Costs	79,658,098	8,270,975	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	84,558,098	10,304,156	10,304,156	10,304,156	10,304,156	10,304,156	10,304,156	10,304,156	10,304,156	10,304,156	10,304,156	10,304,156
Blue Greenway Signage & Safety Markings		Soft Costs	175,000	175,000	-	-	-	-	-	-	-	-	-	-
		Construction Costs	823,911	823,911	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	998,911	998,911	998,911	998,911	998,911	998,911	998,911	998,911	998,911	998,911	998,911	998,911
Bayview Gateway		Soft Costs	500,000	500,000	-	-	-	-	-	-	-	-	-	-
		Construction Costs	4,298,294	4,298,294	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	4,798,294	4,798,294	4,798,294	4,798,294	4,798,294	4,798,294	4,798,294	4,798,294	4,798,294	4,798,294	4,798,294	4,798,294
CEQA Review & Permitting		Soft Costs	577,500	577,500	-	-	-	-	-	-	-	-	-	-
		Construction Costs	-	-	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	577,500	577,500	577,500	577,500	577,500	577,500	577,500	577,500	577,500	577,500	577,500	577,500
WATERFRONT PARKS		Soft Costs	17,615,276	5,788,188	-	-	-	-	-	-	-	-	-	-
		Construction Costs	67,010,748	7,417,731	-	-	-	-	-	-	-	-	-	-
		Project Contingency	-	-	-	-	-	-	-	-	-	-	-	-
		SUBTOTAL	84,626,024	13,205,919	13,205,919	13,205,919	13,205,919	13,205,919	13,205,919	13,205,919	13,205,919	13,205,919	13,205,919	13,205,919

3.0 4th Bond Sale Project Details

Crane Cove Park

Crane Cove Park is a new, approximately 9 acre Blue Greenway waterfront park located in the Central Waterfront generally between 19th and Mariposa Streets east of Illinois Street. Initial park concepts include shoreline cleanup and stabilization, restoration of historic cranes, historic interpretation, bay access, and a facility for human powered boats. The total cost for the entire project is expected to be \$50 - \$60 million dollars, which is greater than the current available funding. As a result, the project will be phased as funding is secured. Available funding for the 1st phase of the project totals \$31.5 million, including (a) \$10.5 million in funding from the 2008 Clean and Safe Neighborhood Park G.O. Bonds, (b) \$14.3 million from 2012 Clean and Safe Neighborhood Parks G.O. Bonds, and (c) \$6.7 million from the Port and other sources.

This Blue Greenway Project benefits from significant planning conducted through the development of the Port's Pier 70 Preferred Master Plan and the Blue Greenway Planning and Design Guidelines community planning process

The Park Master Plan and Schematic Design were approved by the City's Waterfront Design Advisory Committee and SF Bay Conservation and Development Commission Design Review Board in July 2014. Construction on the park is anticipated to begin in February of 2016 with completion slated for November of 2017.

The Port has created a web site to allow the public to review work products and track the project status at www.sfport.com/cranecovepark.

Current Budget

<u>Project Phase</u>	<u>1st Bond Sale</u>	<u>2nd Bond Sale</u>	<u>3rd Bond Sale</u>	<u>4th Bond Sale</u>	<u>Other Proj. Funding</u>
Planning and Design	\$0	\$1,263,250	\$550,000	\$0	\$2,186,750
Construction	\$0	\$0	\$0	\$8,499,467	\$18,376,437
Project Management	\$155,389	\$5,763	\$58,779	\$0	\$380,069
PROJECT BUDGET	\$155,389	\$1,269,013	\$608,779	\$8,499,467	\$20,943,256

Funding Plan

Port of San Francisco Capital Funds –	
Transbay Cable Funding	\$4,353,139
Other Capital Funds	\$300,000
2008 Clean & Safe NP Park Bond	\$10,532,648
2012 Clean & Safe NP Park Bond	\$14,300,000
Metropolitan Transportation Commission – Coastal Conservancy	
Commission Grant	\$1,000,000
Pier 70 Economic Development Agency Funds	\$535,663
Other Funding 2008 G.O. Park Bond interest income	\$454,454
<i>Total Project Funding</i>	<i>\$31,475,904</i>

Sale Schedule

1 st Bond Sale	\$155,389
2 nd Bond Sale*	\$1,269,013
3 rd Bond Sale*	\$608,779
4 th Bond Sale	\$8,499,467
	Start Finish
Planning	Sep-2011 Mar-2014
Design & Bid/Award	Mar-2014 Jan-2016
Construction	Jan-2016 Nov-2017

Project Descriptions: Major Waterfront Park Projects

Pier 39 Bay Trail Link

Project Location: Powell to Taylor Streets

Located along the Bay north of the Pier 39 Arch, the site previously consisted of condemned piers and partially closed sidewalk due to a failing seawall. The project created a new waterfront open space destination featuring a public promenade along the water's edge. The project removed 70,000 SF of pier, replaced 520 linear feet of seawall, constructed 20,600 SF of pile supported concrete wharf, and reconstructed sidewalks, curbs and gutters.

During the entitlement process, scope was added to the project for additional wharf area (requested by the Bay Conservation and Development Commission, or BCDC), for ADA improvements near Pier 45, and for security lighting. The additional scope caused a delay of 1 month and increased the estimated cost by \$2 M. To fund the additional scope, Port used capital funds and grants from the Association of Bay Area Governments (ABAG) and the Federal Department of Homeland Security (DHS).

This Project is complete and was opened to the public in November of 2012.



Brannan Street Wharf

Project Location: Embarcadero and Brannan Street

Located along the Bay in the South Beach neighborhood, the project created a 57,000 SF public open space wharf along approximately 850 linear feet of waterfront which was previously inaccessible due to condemned wharf and pier structures. Features, as recommended by a citizen's advisory committee, include a raised lawn, public float, seating, and interpretive exhibits.

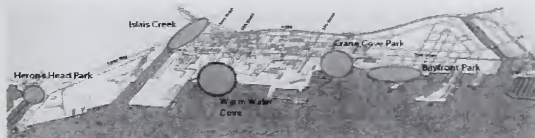
Preliminary engineering studies indicated the need for unexpected repairs and strengthening of a portion of the existing seawall; revealed deteriorated structure supporting a portion of The Embarcadero Promenade; uncovered ground instability within the new wharf area; and identified complexity in the removal of the existing Pier 36 caissons. Recognizing a funding shortfall, the Port was successful in obtaining \$4.7M of federal funds specifically for pier removal.

Brannan Street Wharf is complete and was opened to the public in July of 2013.



Blue Greenway Planning & Design Guidelines

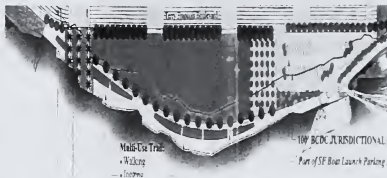
The Blue-Greenway Design standards was developed through a community planning process and identifies Port open space projects along the southern waterfront, developed cost estimates for projects and identified project priorities. In addition, it established design guidelines for common elements for all Blue Greenway projects.



Bayfront Park

Project Location: Mission Bay between 16th street and Mission Bay Commons South

This project along the Blue Greenway included the removal of deteriorated piers and wharves, and reconstruction of 1,200 linear feet of shoreline to allow Bayfront Park to be constructed to the Bay's edge. The shoreline project included the installation of a temporary 8' wide mixed use pathway to allow the public to access the shoreline while the Park was under construction. This project is complete and opened to the public in February of 2012



Heron's Head Park

Project Location: Jennings Street and Cargo Way

This Blue Greenway project included an expansion of the existing Heron's Head Park by approximately an acre, by: a) converting a paved area into a meadow, and planter areas, b) organizing the service and parking areas, c) creating a dog run; d) installing picnic tables and seating areas, new lighting and bicycle amenities; e) adding park signage; f) including new sites for public art, g) creating a defined pedestrian circulation area; and h) adding a landscape based storm-water treatment system. The design is consistent with the sustainable natural theme of the existing park

The original budget established was based upon a smaller park opportunity site, in preparing the design and working through the community review process the project site was enlarged. The GO Bond funding strategy for Blue Greenway Parks accommodated opportunity for projects to expand or consolidate through the planning process. This project was completed and opened to the public in September 2012.



Tulare Park -- POSTPONED INDEFINITELY

Project Location: Islais Creek shoreline, north side between Illinois and Third Streets

Across Islais Creek from the future site of the Bayview Gateway, Tulare Park is an existing Blue Greenway Park that was originally constructed in the early 1970s and is in need of major improvements including upgrades required under the Americans with Disabilities Act (ADA). During final design of the Tulare Park improvements, it was determined that grading required to create the ADA accessible path would pose significant risk of damage to both the San Francisco Public Utilities Commission force main and the existing retaining wall running throughout the site. After studying alternatives, a pedestrian bridge was chosen as the most cost effective solution to create an accessible pathway

This project was put out to bid and was not awarded because the bid exceeded the budget by over \$600,000. The Port is working with both DPW and the SFPUC on alternative design ideas that are more cost effective and accommodate the PUC sub-surface infrastructure and access requirements.

Blue Greenway Public Art

Project Location: Blue Greenway Mission Creek and Heron's Park

Working with the SF Arts Commission, the Port identified the Bayview Gateway site as the appropriate site and location for the Port's Art Enrichment Project.

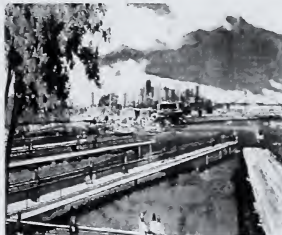
The SF Arts Commission released a call for artist to submit qualifications for the project in the fall of 2014 and received 3 proposals. However, all three proposals were subsequently rejected, so the selection process will be renewed in 2015. The current project schedule calls for the selection panel to make its recommendations in June 2015, with Arts Commission and Port Commission approval following in July 2015. Design, fabrication, and installation of the pieces is expected to take 18 months from the approvals, with completion now anticipated for the end of 2016.



Crane Cove Park

Project Location: Nineteenth and Illinois Street

Crane Cove Park is an approximately 9 acre Blue Greenway Waterfront Park located in the Central Waterfront generally between 19th and Mariposa Streets east of Illinois Street. The Park design and project includes shoreline cleanup and stabilization, restoration of historic resources, a new multi-purpose lawn, plazas, pathways, site furnishings and site interpretation, bay access and a human powered boating facility. The total construction cost for the entire project is expected to be \$45 million dollars. Current available funding is approximately \$31.3 million, of which \$10.3 million is from the 2008 Clean and Safe Neighborhood Park bonds. As a result, the Port will build Phase 1 with existing sources, and will construct Phase II when funding is secured.



Bayview Gateway

Project Location: Southern shoreline of Islais Creek between Third Street, Illinois Street and Cargo Way

The Bayview Gateway Project will create a new one acre public open space along the southern bank of Islais Creek in San Francisco's southeast waterfront. The project site is bound by Islais Creek on the north, Cargo Way on the south, 3rd Street on the west, and Illinois Street on the east. This area was reclaimed from the Bay in the 1900s and served as a working waterfront with a timber wharf and shed. The shed was removed in the early 1980s leaving an asphalt covered lot. The project will demolish the existing timber wharf, rehabilitate the seawall, and transform the asphalt lot into a public park with walkways, plaza spaces and green spaces from which to enjoy the Bay. In addition, the project will serve as both a gateway to and an amenity for the Bayview neighborhood.



Construction estimates early in the design phase indicated the project would cost 13% more than the current budget. Value engineering measures were taken to simplify the design with some success. However, additional project scope was added for unanticipated right of way improvements including a new crosswalk at 3rd Street, modifications and repairs to the adjacent sidewalks, and more extensive roadway and traffic signal work at 3rd Street and Cargo Way. The project is currently under construction and should be completed by the end of July 2015.

Blue Greenway Signage and Site Furnishings

Project Location: Blue Greenway Linking Streets between Mission Creek and Heron's Head Park

The Blue Greenway is the City's project to improve the City's southerly portion of the 500 mile, 9-county, region-wide Bay Trail. Uniquely, the trail does not follow one continuous waterfront path or have consistent water views to serve as a navigational tool for users; users have to consciously find transitions and make decisions in order to stay on the system. Additionally, because the Blue Greenway is in its early inception, it lacks recognition by the general public. In order to help build identity and allow users to find their way along the system, the Port, working with our stakeholders, has developed a signage and way-finding program to build identity and provide users orientation to find their way along the system. The program includes large customized signs (as conceptualized in the diagram) which include navigational information.



The contract to construct and install these custom signs went out to bid in late March 2013 and a contract was awarded with Port Commission approval. In addition to signage, furnishings such as benches and waste receptacles will be provided at the sign sites where practicable.


This Project went out to bid in late March 2013, the Port commission approved the award of the bid and the signage portion of the project was completed in 2014, and the remaining minor site improvements will be completed in September 2015.

Current Project Phase


The 2008 Clean and Safe Neighborhood Parks Bond Program includes the initiation, planning, design, bid & award, construction and close-out project phases. Thus far, 2008 Clean & Safe Neighborhood Park Bond funds have been expended on the phases indicated for each project below.

Waterfront Parks	Initiation	Planning	Design	Bid & Award	Constr.	Close-Out
Pier 43 Bay Trail Link	•	•	•	•	•	•
Brannan Street Wharf/Park	•	•	•	•	•	•
Blue Greenway Planning & Design Guidelines	•	•	•	n/a	n/a	•
Bayfront Park	•	•	•	•	•	•
Heron's Head Park	•	•	•	•	•	•
Tulare Park	•	•	•			
Blue Greenway Public Art	•	•	•	•		
Crane Cove Park	•	•	•			
Bayview Gateway	•	•	•	•	•	
Blue Greenway Signage and Site Furnishings	•	•	•	•	•	

Key

 Phase 1

 Phase 1 Alternate Bid items

 Later Phase(s)

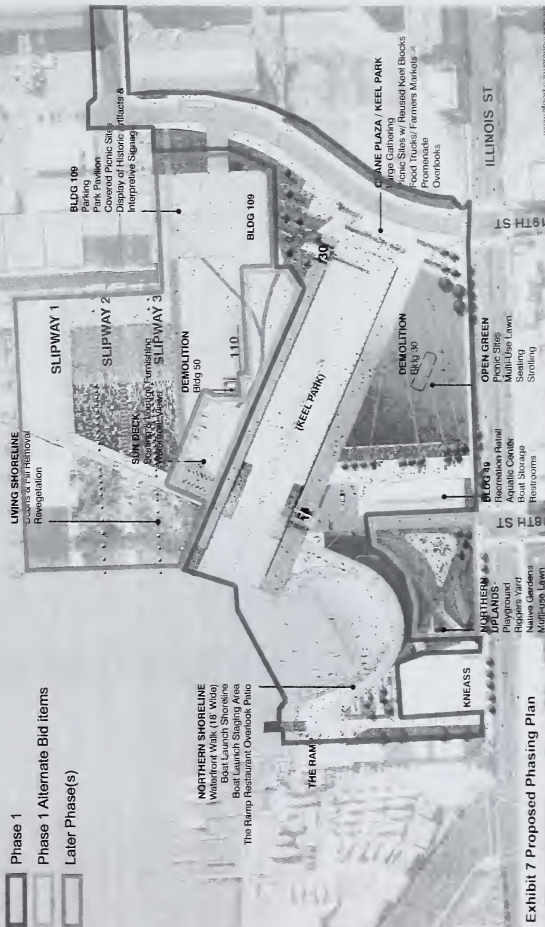


Exhibit 7 Proposed Phasing Plan

Crane Cove Park schematic design

EXHIBIT 8

MITIGATION MONITORING AND REPORTING PROGRAM
(Including the Text of the Mitigation Measures and Proposed Improvement Measures)

MITIGATION MEASURES		Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
F. Noise					
Project Mitigation Measure 3: Construction Noise (Mitigation Measure F-1 in the Eastern Neighborhoods PEIR)					
<p>For subsequent development projects within proximity to noise-sensitive uses that would include pile-driving, individual project sponsors shall ensure that piles be pre-drilled wherever feasible to reduce construction-related noise and vibration. No impact pile drivers shall be used unless absolutely necessary. Contractors would be required to use pile-driving equipment with state-of-the-art noise shielding and muffling devices. To reduce noise and vibration impacts, sonic or vibratory sheetpile drivers, rather than impact drivers, shall be used wherever sheetpiles are needed. Individual project sponsors shall also require that contractors schedule pile-driving activity for times of the day that would minimize disturbance to neighbors.</p>		Project Sponsor along with Project Contractor of each subsequent development project undertaken pursuant to the Eastern Neighborhoods Rezoning and Area Plans Project.	During construction	Each Project Sponsor to provide Planning Department with monthly reports during construction period.	Considered complete upon receipt of final monitoring report at completion of construction.
Project Mitigation Measure 4: Construction Noise (Mitigation Measure F-2 in the Eastern Neighborhoods PEIR)					
<p>Where environmental review of a development project undertaken subsequent to the adoption of the proposed zoning controls determines that construction noise controls are necessary due to the nature of planned construction practices and the sensitivity of proximate uses, the Planning Director shall require that the sponsors of the subsequent development project develop a set of site-specific noise attenuation measures under the supervision of a qualified acoustical consultant. Prior to commencing construction, a plan for such measures shall be submitted to the Department of Building Inspection to ensure that maximum feasible noise attenuation will be achieved. These attenuation measures shall include as many of the following control strategies as feasible.</p> <ul style="list-style-type: none"> Erect temporary plywood noise barriers around a construction site, particularly where a site adjoins noise-sensitive uses; Utilize noise control blankets on a building structure as the building is erected to reduce noise emission from the site; Evaluate the feasibility of noise control at the receivers by temporarily improving the noise reduction capability of adjacent buildings housing 		Project Sponsor along with Project Contractor of each subsequent development project undertaken pursuant to the Eastern Neighborhoods Rezoning and Area Plans Project.	During construction	Each Project Sponsor to provide Planning Department with monthly reports during construction period.	Considered complete upon receipt of final monitoring report at completion of construction.

MITIGATION MONITORING AND REPORTING PROGRAM
(Including the Text of the Mitigation Measures and Proposed Improvement Measures)

	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
<p>sensitive uses.</p> <ul style="list-style-type: none"> Monitor the effectiveness of noise attenuation measures by taking noise measurements, and Post signs on-site pertaining to permitted construction days and hours and complaint procedures and who to notify in the event of a problem, with telephone numbers listed. 				
<p>J. Archeological Resources</p> <p>Project Mitigation Measure 1: Archeological Monitoring (Mitigation Measure J-2 in the Eastern Neighborhoods PEIR)</p> <p>Based on the reasonable potential that archeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on buried or submerged historical resources. The project sponsor shall retain the services of a qualified archeological consultant having expertise in California prehistoric and urban historical archeology. The archeological consultant shall undertake an archeological monitoring program. All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archeological monitoring and/or data recovery programs required by this measure could suspend construction of the project (e.g., construction of four weeks. At the direction of the ERO, the suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less than significant level potential effects on a significant archeological resource as defined in CEQA Guideline's Sec. 15064.5 (a)(c).</p> <p>Archeological monitoring program (AMP). The archeological monitoring program shall minimally include the following provisions:</p> <ul style="list-style-type: none"> The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the project archeologist shall determine what project activities shall be archeologically monitored. In most cases, any soils disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the potential risk these activities 	The Project Sponsor	Prior to issuance of grading or building permits	Project Sponsor shall retain archeological consultant to undertake archeological monitoring program in consultation with ERO	Complete when Project Sponsor retains qualified archeological consultant.
	The Project Sponsor and archeological consultant	Prior to any soils disturbance	Consultation with ERO on scope of AMP	After consultation with and approval by ERO of AMP

MITIGATION MONITORING AND REPORTING PROGRAM
(Including the Text of the Mitigation Measures and Proposed Improvement Measures)

	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
<ul style="list-style-type: none"> pose to archaeological resources and to their depositional context. The archaeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archaeological resource. The archaeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archaeological consultant and the ERO until the ERO has, in consultation with the archaeological consultant, determined that project construction activities could have no effects on significant archaeological deposits. The archaeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis 	The archaeological consultant, Project Sponsor and Project contractor.	Monitoring of soils disturbing activities.	Archaeological consultant to monitor soils disturbing activities specified in AMP and immediately notify the ERO of any encountered archaeological resource.	Considered complete upon completion of AMP
<p>If an intact archaeological deposit is encountered, all soils disturbing activities in the vicinity of the deposit shall cease. The archaeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction crews and heavy equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archaeological monitor has cause to believe that the pile driving activity may affect an archaeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archaeological consultant shall immediately notify the ERO of the encountered archaeological deposit. The archaeological consultant shall, after making a reasonable effort to assess the identity, integrity, and significance of the encountered archaeological deposit, present the findings of this assessment to the ERO.</p>	ERO, archaeological consultant, and Project Sponsor.	Following discovery of significant archaeological resource that could be adversely affected by project	Redesign of project to avoid adverse effect or undertaking archaeological data recovery program	Considered complete upon avoidance of adverse effect

MITIGATION MONITORING AND REPORTING PROGRAM
(Including the Text of the Mitigation Measures and Proposed Improvement Measures)

	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
<p>If an archeological data recovery program is required by the ERO, the archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The project archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP. The archeological consultant shall prepare a draft ADRP that shall be submitted to the ERO for review and approval. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.</p> <p>The scope of the ADRP shall include the following elements</p> <ul style="list-style-type: none"> • Field Methods and Procedures. Descriptions of proposed field strategies, procedures and operations. • Cataloguing and Laboratory Analysis. Description of selected cataloguing system and artifact analysis procedures. • Discard and Deaccession Policy. Description of and rationale for field and post-field discard and deaccession policies. • Interpretive Program. Consideration of an on-site/off-site public interpretive program during the course of the archeological data recovery program. • Security Measures. Recommended security measures to protect the archeological resource from vandalism, looting, and non-intentionally damaging activities. • Final Report. Description of proposed report format and distribution of results. • Curation. Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities. 	<p>Archeological consultant in consultation with ERO</p>	<p>After determination by ERO that an archeological data recovery program is required</p>	<p>Archeological consultant to prepare an ADRP in consultation with ERO</p>	<p>Considered complete upon approval of ADRP by ERO.</p>

MITIGATION MONITORING AND REPORTING PROGRAM
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	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
<p><i>Human Remains, Associated or Unassociated Funerary Objects:</i> The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal Laws, including immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5037.36). The archeological consultant, project sponsor, ERO, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, curation, possession, and final disposition of the human remains and associated or unassociated funerary objects.</p> <p><i>Final Archeological Resources Report.</i> The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the draft final report.</p>	<p>Archeological consultant or medical examiner</p>	<p>Discovery of human remains</p>	<p>Notification of County/City Coroner and, as warranted, notification of NAHC.</p>	<p>Considered complete on finding by ERO that all State laws regarding human remains/burial objects have been adhered to; consultation with MLD is completed as warranted, and that sufficient opportunity has been provided to the archeological consultant for scientific/historical analysis of remains/funerary objects.</p>
<p>L. Hazardous Materials</p> <p>Project Mitigation Measure 5: Hazardous Building Materials (Mitigation Measure L-1 in the Eastern Neighborhoods PEIR)</p> <p>The City shall condition future development approvals to require that the subsequent project sponsors ensure that any equipment containing PCBs or DEHP, such as fluorescent light ballasts, are removed and properly disposed of according to applicable federal, state, and local laws prior to the start of renovation, and that any fluorescent light tubes, which could contain mercury, are similarly removed and properly disposed of. Any other hazardous materials identified, either before or during work, shall be abated according to applicable federal, state, and local laws</p>	<p>Project Sponsor/project archeologist of each subsequent development project undertaken pursuant to the Eastern Neighborhoods Areas Plans and Rezoning</p>	<p>Following completion of cataloging, analysis, and interpretation of recovered archeological data</p>	<p>Preparation of FARR</p>	<p>FARR is complete on review and approval of ERO</p>
	<p>Project Sponsor/project archeologist of each subsequent development project undertaken pursuant to the Eastern Neighborhoods Areas Plans and Rezoning</p>	<p>Prior to approval of each subsequent project, through Mitigation Plan.</p>	<p>Planning Department, in consultation with DPH, where Site Mitigation Plan is required, Project Sponsor or contractor shall submit a monitoring report to DPH, with a copy to Planning Department and DBI at end of construction.</p>	<p>Considered complete upon approval of each subsequent project</p>

MITIGATION MONITORING AND REPORTING PROGRAM
(Including the Text of the Mitigation Measures and Proposed Improvement Measures)

	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
<p>E. Transportation</p> <p>Project Mitigation 2: Traffic Signal Installation (Mitigation Measure E-1 in the Eastern Neighborhoods PEIR)</p> <p>To mitigate the 2025 No Project traffic impacts, a To mitigate the significant cumulative traffic impact at the intersection of 20th and Illinois Streets, an upgraded traffic signal would need to be installed at this intersection. With this new signal, the average vehicle delay would decrease, and the intersection would operate at LOS F during the weekday PM peak hour and LOS D during the weekday MID peak hour. The LOS F condition is due to a number of proposed developments in the immediate vicinity of this intersection, most noticeably at Pier 70, that would contribute to growth in future traffic volumes and increased delays. Installation of a traffic signal at the intersection of 20th and Illinois Streets could be linked to these and other proposed development projects.</p> <p>The project sponsor shall pay their fair share contribution to mitigate the significant cumulative traffic impact at the intersection of 20th and Illinois Streets. The amount and schedule for payment of the proposed project's fair share contribution to the mitigation shall be determined by SFMTA</p>	<p>San Francisco Municipal Transportation Agency (SFMTA); project sponsor; Port of San Francisco</p>	<p>To be determined by SFMTA</p>	<p>SFMTA, Port of San Francisco</p>	<p>Upon Signalization.</p>
<p>IMPROVEMENT MEASURES</p> <p>Project Improvement Measure 1: Monitoring and Abatement of Queues</p> <p>It shall be the responsibility of the owner/operator of any off-street parking facility with more than 20 parking spaces (excluding loading and car-share spaces) to ensure that recurring vehicle queues do not occur on the public right-of-way. A vehicle queue is defined as one or more vehicles (destined to the parking facility) blocking any portion of any public street, alley or sidewalk for a consecutive period of three minutes or longer on a daily or weekly basis.</p> <p>If a recurring queue occurs, the owner/operator of the parking facility shall employ abatement methods as needed to abate the queue. Appropriate abatement methods will vary depending on the characteristics and causes of the recurring queue, as well as the characteristics of the parking facility, the street(s) to which the facility connects, and the associated land uses (if applicable)</p> <p>Suggested abatement methods include but are not limited to the following:</p>	<p>Project Sponsor, Owner or Operator of the parking facility</p>	<p>Ongoing during parking operations</p>	<p>Port of San Francisco</p>	<p>Ongoing during parking operations</p>

MITIGATION MONITORING AND REPORTING PROGRAM
(Including the Text of the Mitigation Measures and Proposed Improvement Measures)

	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
<p>redesign of facility to improve vehicle circulation and/or on-site queue capacity, employment of parking attendants, installation of LOT FULL signs with active management by parking attendants, use of valet parking or other space-efficient parking techniques, use of off-site parking facilities or shared parking with nearby uses, use of parking occupancy sensors and signage directing drivers to available spaces, travel demand management strategies such as additional bicycle parking, customer shuttles, delivery services, and/or parking demand management strategies such as parking time limits, paid parking, time-of-day parking surcharge, or validated parking.</p> <p>If the Planning Director, or his or her designee, suspects that a recurring queue is present, the Department shall notify the property owner in writing. Upon request, the owner/operator shall hire a qualified transportation consultant to evaluate the conditions at the site for no less than seven days. The consultant shall prepare a monitoring report to be submitted to the Department for review. If the Department determines that a recurring queue does exist, the facility owner/operator shall have 90 days from the date of the written determination to abate the queue.</p>				
<p>Project Improvement Measure 2: Installation of Traffic Calming Devices at Parking Lot Exiting Lane</p> <p>It shall be the responsibility of the owner/operator to install appropriate traffic calming devices (e.g., speed bump, rumble strips, "slow speed" signage, etc.) at the exiting travel lane along the garage driveway to reduce vehicle speeds of exiting vehicles traveling out of the parking lot and to further reduce and/or eliminate potential vehicle-pedestrian conflicts.</p>	<p>Project sponsor; Owner or Operator of the parking facility</p>	<p>Design measures to be incorporated into project design; prior to issuance of a building permit.</p>	<p>Port of San Francisco; Planning Department; Department of Public Works (DPW); SFMTA</p>	<p>Considered complete upon installation and implementation of traffic calming features</p>
<p>Project Improvement Measure 3: Convert On-Street Parking Spaces and Install Freight/Delivery Loading Zone along Illinois Street</p> <p>To reduce the potential for parking of freight/delivery vehicles within the travel lane adjacent to the curb lane on Illinois or 19th Street (in the event that the on-street parking spaces are occupied), the Project Sponsor shall seek approval from the SFMTA to convert two (2) regular, on-street parking spaces to yellow-striped loading parking spaces. The location of these two spaces shall be located along the east side of Illinois Street, adjacent to the project site.</p>	<p>Project sponsor</p>	<p>Loading zone to be incorporated into project design; prior to issuance of a building permit</p>	<p>Port of San Francisco; Planning Department; Department of Public Works (DPW); SFMTA</p>	<p>Considered complete upon installation and implementation of loading zone</p>

MITIGATION MONITORING AND REPORTING PROGRAM
(Including the Text of the Mitigation Measures and Proposed Improvement Measures)

	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
<p>Project Improvement Measure 4: Coordination of Freight/Loading Activities for Park and Park Related Retail</p> <p>To reduce the potential for parking of delivery vehicles within the travel lane adjacent to the curb lane on Illinois or 19th Street or during peak commute periods (between 7:00 a.m. and 9:00 a.m. and 4:00 p.m. and 6:00 p.m.), freight/loading activities shall be scheduled and coordinated through Port of San Francisco staff and shall be restricted to occur between the hours of 9:00 a.m. and 4:00 p.m., and no deliveries shall occur between 7:00 a.m. and 9:00 a.m. or between 4:00 p.m. and 6:00 p.m.</p> <p>The Project Sponsor shall enforce strict truck size regulations for use of the on-street loading spaces in the proposed freight/delivery loading area. Truck lengths exceeding 40 feet shall be prohibited from entering the loading zone and shall utilize other on-street parking spaces, if available. The Project Sponsor shall notify Port of San Francisco staff, and café tenants of imposed truck size limits in the proposed freight loading area.</p> <p>In the event freight/delivery vehicles exceed the 40-foot length and are in need to occupy the recommended on-street loading space (see improvement measure above), appropriate traffic control measures shall be enforced to avoid and/or eliminate any conflicts with moving vehicles or other users along Illinois Street or sidewalk areas adjacent to the project site. Such measures shall include but not limited flaggers, cones, and signage to notify drivers and others of freight/delivery activities.</p>	Project sponsor; building tenant(s)	Ongoing during building operations for oversized delivery vehicles or during higher volumes of pedestrian or bicycle activity in the project area	Port of San Francisco	Ongoing during building operations.
<p>Project Improvement Measure 5: Construction Truck Deliveries During Off-Peak Periods</p> <p>Any construction traffic occurring between 7:00 a.m. and 9:00 a.m. or between 3:30 p.m. and 6:00 p.m. would coincide with peak hour traffic and could temporarily impede traffic and transit flow, although it would not be considered a significant impact. Limiting truck movements to the hours between 9:00 a.m. and 3:30 p.m. (or other times, if approved by SFMTA) would further minimize disruption of the general traffic flow on adjacent streets during the a.m. and p.m. peak periods.</p> <p>As required, the Project Sponsor and construction contractor(s) shall meet with the Sustainable Streets Division of the SFMTA, the Fire Department, Muni, and the Planning Department to determine feasible measures to reduce traffic congestion, including potential transit disruption, and pedestrian circulation impacts during construction of the project. To minimize</p>	Project sponsor; Project contractor(s)	Prior to construction activity	Port of San Francisco	Upon completion of project construction

MITIGATION MONITORING AND REPORTING PROGRAM
(Including the Text of the Mitigation Measures and Proposed Improvement Measures)

	Responsibility for Implementation	Mitigation Schedule	Monitoring/Report Responsibility	Status/Date Completed
cumulative traffic impacts due to project construction, the Project Sponsor shall coordinate with construction contractors for any concurrent nearby projects that are planned for construction or which later become known.				
<p>Project Improvement Measure 6: Construction Management Plan</p> <p>In addition to items required in the Construction Management Plan, the project sponsor shall include the following:</p> <ul style="list-style-type: none"> • Carpool and Transit Access for Construction Workers — As an improvement measure to minimize parking demand and vehicle trips associated with construction workers, the construction contractor shall include methods to encourage carpooling and transit use to the project site by construction workers in the Construction Management Plan contracts. • Project Construction Updates — As an improvement measure to minimize construction impacts on nearby businesses, the project sponsor shall provide regularly-updated information (typically in the form of website, news articles, on-site posting, etc.) regarding project construction and schedule, as well as contact information for specific construction inquiries or concerns. 	Project sponsor; Project contractor(s)	Prior to construction activity	Port of San Francisco	Upon completion of project construction



MEMORANDUM

October 8, 2015

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Doreen Woo Ho

FROM: Monique Moyer *M. Moyer*
Executive Director

SUBJECT: Informational Item - The Port's Report on Contracting Activity for Fiscal Year 2014-15 (July 1, 2014 through June 30, 2015)

I. EXECUTIVE SUMMARY

Port staff provides two reports per year regarding the Port's contracting activity. On April 14, 2015, staff provided an update to the Port Commission regarding contracting activity for the first half of Fiscal Year (FY) 2014-15 (July 1, 2014 through January 31, 2014). This report provides an update on contracting activity for the entire fiscal year (July 1, 2014 through June 30, 2015), including professional services, construction and as-needed contracts, and provides an update on recent legislative activity at the City level.

- A. **Total Value of New Contracts: \$9.6 million (14 contracts).** During FY 2014-15, the Port issued 14 new contracts including four construction, eight professional services, and two as-needed contracts with a cumulative value of \$9.6 million. Nine out of the fourteen (64%) contracts were awarded to Local Business Enterprises ("LBE"). With an aggregate value of \$6.6 million (69%) awarded to LBE prime and subcontractors, Port staff exceeded the Port Commission's informal policy to award a minimum of 20% of contract dollars to LBE firms. This strong result continues the Port's positive trend of awarding a large percentage of contract dollars to small local businesses.

Eight of the 14 awards were to "formal" contracts governed by Administrative Code Section 14B ("LBE Ordinance"), which include LBE subcontracting goals and local business bid preferences. One contract was exempt from the LBE Ordinance due to federal funding requirements and four contracts were awarded under the Executive Director's delegated authority because they fell under the LBE Ordinance contract

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threshold. Eight of the nine (89%) LBE Ordinance governed contracts were awarded directly to LBE firms.

- B. **Total Payments to Active and Open Port Contracts: \$12.26 million, including \$5.72 million (47%) to LBE primes and subcontractors.** During FY 2014-15, Port contract payments totaled \$12.26 million. Of that amount, \$5.72 million (47%) was paid to LBEs, including \$2.28 million (18%) to LBE subcontractors and \$3.54 million (29%) to LBE primes.
- C. **All of the Port's projects subject to the Local Hire Ordinance are meeting or have met the requirements of providing work hours to San Francisco residents, including disadvantaged workers, and are providing apprentice opportunities.**

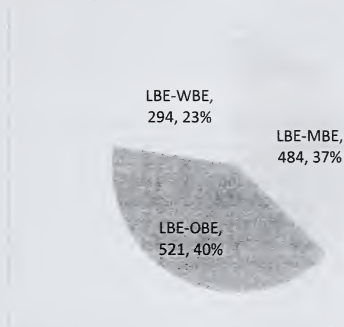
II. BACKGROUND

The Port engages in a variety of contractual transactions that include: leases, developer agreements, construction contracts, general services contracts, and professional services contracts. This report specifically addresses the Port's use of professional services and construction contracts.

The Port must comply with federal, state, and local laws concerning nondiscrimination in contracting. Construction contracts, general services contracts, and professional services contracts are subject to the San Francisco Administrative Code Chapter 14B LBE subcontracting participation requirements. The LBE program applies only to City and County of San Francisco ("City") contracts which include Port contracts.

The LBE program was established to expand City contracting opportunities for small San Francisco based firms, which are defined based on gross receipts by type of industry. Adherence to Administrative Code Chapter 14B is overseen by the Contract Monitoring Division (CMD), a division of the City Administrator's office. CMD accepts and reviews applications and certifies qualifying local firms as LBEs. Once a business is certified as a LBE, it is also classified as a Minority Owned Enterprise ("LBE-MBE"), Woman Owned Enterprise ("LBE-WBE"), Other Business Enterprise ("LBE-OBE") or Non-Profit Enterprise ("LBE-NPE"). CMD further classifies LBE-MBE firms by ethnicity to monitor and track which LBEs are awarded contracts. As summarized in Chart 1, there are currently 1,299 certified LBE firms.

Chart 1: Certified LBEs as of July 1, 2015, 1,299 Total



When participating as a prime contractor or as part of a Joint Venture, LBE firms receive bid discounts in the case of construction bids and bonuses in the case of professional service Requests for Proposals (RFP) and Requests for Qualifications (RFQ). For contract agreements that fall within Administrative Code Chapter 14B requirements, CMD also reviews the scope of the project and the nature of the work compared to available City-certified LBEs to set a required LBE subcontracting goal. CMD determines compliance with subcontracting goals at the time the contract is closed-out.¹

City contracts are exempt from the LBE program if 1) the contract value is less than an established threshold amounts of \$55,000 for professional contracts and \$300,000 for construction contracts through July 31, 2015, 2) Federal law, as in the case of grant funds, prohibits the use of local preference, or 3) if a waiver is obtained from CMD, such as in the case of an emergency or sole source contract.

In soliciting bids and/or responses to requests for proposals/qualifications, Port staff engages a representative from CMD. The CMD representative reviews all of the circumstances and independently assigns an LBE sub-contracting goal, or waiver thereof. Port staff then uses best efforts to adhere to the CMD goal. If Port staff is unable to adhere to the goal, Port staff refers the problem to the CMD representative for assistance and a solution.

¹ LBE subcontracting goals are calculated on the base contract amount. Following CMD policy, contract allowances, alternates or contingencies are not factored into calculating final LBE participation rates. CMD reviews on a case-by-case basis, contract amendments that result in a cumulative increase in the total contract amount of 20 percent or more. CMD may apply LBE subcontracting goals to these contract amendments based on a review of the additional work.

III. CONTRACT ACTIVITY UPDATE

During FY 2014-15, the Port awarded 14 new contracts totaling \$9.6 million. LBE prime contractors were awarded nine of the fourteen (64%) contracts. The Port paid contractors over \$12 million on active contracts during the reporting period with \$5.5 million (46%) going to LBEs.

A. New Contracts (\$9,608,981; 14 contracts): As summarized in *Table 1* and detailed in *Attachment 1*, in FY 2014-15, the Port issued four new construction, eight new professional service, and two as-needed contracts for a cumulative value of \$9.6 million. Of the 14 new contracts, eight were governed by the LBE Ordinance. LBE goals set for these projects ranged from 4% for a real estate consulting services contract to 25% for the Earthquake Vulnerability Study of the Northern Seawall. Additionally, bid discounts between 7.5%-10% were granted to LBE primes on all LBE governed contracts. LBE prime contractors won six of the eight (75%) contracts where bid discounts were applied. The Emergency Preparedness Training contract was exempt from the provisions of the LBE Ordinance because it is funded through a federal grant that does not allow for local contracting preferences. The Youth Employment Training program, Hotel Consulting Services, and the Branding Study contract were also exempt from the LBE Ordinance because of these contracts small sizes or CMD granted waivers.

Table 1: Contracts Awarded from July 1, 2014 – June 30, 2015

Type of Contract	Total Contract	Total Dollar Amount	LBE Award Amount (Prime & Subs)	Average LBE Goal	Actual LBE Amount Awarded
Construction	3	\$6,815,981	\$5,351,299	19%	79%
Professional Services	2	\$1,167,500	\$388,519	23%	33%
As-Needed	2	\$375,000	\$216,113	8%	58%
Total 14B Eligible Contracts	8	\$8,358,481	\$5,955,931		71%
Construction*	1	\$283,000	\$229,230	N/A	81%
Professional Services*	3	\$188,500	\$110,000	4%	58%
Professional Services^	3	\$779,000	\$297,600	N/A	38%
Total 14B Exempt Contracts	6	\$1,250,500	\$636,830		51%
Grand Total	14	\$9,608,981	\$6,592,761	N/A	69%

* Delegated Authority

^ LBE Goal Waived

1. Use of Delegated Authority (\$471,500; 4 contracts): Four contracts totaling \$471,500 were awarded in FY 2014-15 through the Executive Director's delegated authority. Three of these contracts, totaling \$393,000 (83%), were awarded to LBE firms.

On June 10, 2015, Lowercase Productions, a LBE-OBE firm, was awarded a \$15,000 contract to provide a branding study for communications staff. This contract was exempt from an LBE goal; however, Lowercase Productions will be self-performing all of the contract work, resulting in 100% of the work being performed by a certified LBE firm.

On June 12, 2015, Century Urban, a LBE-OBE, was awarded a \$95,000 contract to provide real estate market analysis and negotiation support related to the waterfront development at Pier 70. Century Urban will be self-performing approximately 96% of the contract and subcontracting 4% of the work resulting in 100% LBE utilization, including subcontractors.

On June 17, 2015, M&R Valuation Services, a non-LBE firm was awarded a \$78,500 contract to conduct a review of the proposed hotel development at Seawall Lots 323 and 324. CMD waived the contract LBE subcontracting goal as there are no LBEs certified to perform hotel consulting services.

On January 2, 2015, Hoi's Construction, a LBE-MBE firm, was awarded a micro-LBE set aside contract for the restoration of the Beltline Building restrooms at Pier 27. Hoi's Construction will be self-performing 76% of the contract work and subcontracting 5% to Yum's Mechanical, a LBE-MBE firm, resulting in 81% of the work being performed by certified LBE firms.

2. Port Commission Approved (\$9,137,481; 10 contracts). Ten contracts awarded in FY 2014-15 were approved by the Port Commission, and were issued through formal contracting guidelines under Administrative Code Chapters 6, 21, and 14B.

On July 8, 2014, the Bayview Gateway contract (\$3,667,925) was awarded with a 12% LBE subcontracting goal to Bauman Landscape, a CMD certified LBE-OBE firm. Bauman Landscape met the LBE subcontracting goal by subcontracting to Zaccor Companies, an LBE-OBE demolition contractor located at Pier 96. Bauman Landscape will be self-performing approximately 68% of the contract work resulting in nearly 80% of the work being performed by certified LBE firms, including subcontractors.

On July 8, 2014, two As-Need Hazardous Waste Disposal Services contracts (\$187,000 each) were awarded to Eagle Environmental Construction, a LBE-MBE certified firm, and Environmental Logistics, a non-LBE firm. The LBE subcontracting goal for these contracts is 8%. As detailed in *Table 2*, below, Eagle Environmental Construction listed LEEG & Company, a LBE-MBE trucking firm, and Environmental Innovations, a LBE-MBE hazardous waste remediation provider, as LBE subcontractors to exceed the 8% LBE goal. Eagle Environmental Construction will be self-performing approximately 50% of the contract work resulting in nearly 60% of the work being performed by LBE firms, including subcontractors. Environmental Logistics listed Eco Bay Services, a LBE-OBE, and MCD Trucking, a LBE-MBE, firm as subcontractors to complete approximately 11% of the contract work.

Table 2: Hazardous Waste Disposal Services Contracts

Type	Firm	Status	Contract Allocation		LBE Participation	
			Amount	Percent	Amount	Percent
Prime	Eagle Environmental	LBE-MBE	\$ 131,250	50%	\$ 131,250	50%
Subcontractor	PSC	Non-LBE	\$ 102,375	39%	NA	NA
Subcontractor	LEEG & Company	LBE-MBE	\$ 15,750	6%	\$ 15,750	6%
Subcontractor	Environmental Innovations	LBE-MBE	\$ 13,125	5%	\$ 13,125	5%
			\$ 262,500	100%	\$ 160,125	61%
Prime	Environmental Logistics	Non-LBE	\$ 233,625	89%	NA	NA
Subcontractor	Eco Bay Services	LBE-OBE	\$ 13,125	5%	\$ 13,125	5%
Subcontractor	MCD Trucking	LBE-MBE	\$ 15,750	6%	\$ 15,750	6%
			\$ 262,500	100%	\$ 28,875	11%

On August 12, 2014, the Pier 35 Roof Repair contract (\$1,998,556) was awarded with a 19% LBE subcontracting goal to Roebuck Construction, a CMD certified LBE-OBE firm. Roebuck Construction exceeded the 19% CMD LBE subcontracting goal by listing Pioneer Construction, a LBE-MBE general building contractor, and Eco Bay Services, a LBE-OBE general engineering contractor for 35% of the total contract value. Roebuck Construction will be self-performing approximately 38% of the contract work resulting in nearly 73% of the work being performed by LBE firms, including subcontractors.

On October 28, 2014, the Earthquake Vulnerability Study of the Northern Seawall contract (\$467,000) was awarded to GHD-GTC a joint venture with a 25% LBE subcontracting goal. GTC, the LBE-MBE joint venture partner, provides civil, geotechnical, and water resources engineering services. The GHD-GTC project team includes the following LBE certified firms as subconsultants: Land Economics Consultants, LLC (LBE-OBE); Ansari Structural Engineers (LBE-MBE); Saylor Consulting Group (LBE-WBE); Rollo & Ridley (LBE-OBE); and Telamon Engineering (LBE-WBE). GTC will be performing 28% of the contract work resulting in 53% of the work being performed by LBEs, including subcontractors.

On January 13, 2015, the Emergency Preparedness Training contract (\$249,000) was awarded to Tetra Tech, a non-LBE firm. CMD determined that the contract was exempt from the LBE Ordinance due to federal funding guidelines.

On March 24, 2015, the Financial Advisory Services contract (\$700,000) was awarded to Public Financial Management, a non-LBE firm. Public Financial Management exceeded the 20% LBE subcontracting goal by listing Backstrom, McCarley, Berry, and Co., LLC, a LBE-MBE firm, to perform 30% of the contract work.

On April 29, 2015, two Youth Employment Training Program contracts (\$320,000 and \$210,000) were awarded to San Francisco Conservation Corps (SFCC), a LBE-NPE firm, and Hunters Point Family (HPF), a non-LBE firm. CMD waived the contract's LBE subcontracting goal due to the project's single scope of work. However, SFCC will be performing 39% of the contract work and subcontracting 14% of the contract budget to the A. Philip Randolph Institute, a LBE-OBE firm, which will result in 53% of the work

being performed by LBEs, including subcontractors. Port staff is working to help HPF become LBE certified, which will increase the allocation of funding to LBE firms.

On April 29, 2015, the Pier 49 Wharf J1 Under-Pier Sewer Replacement project (\$1,149,500) was awarded to Schembri Construction, a LBE-OBE firm. Schembri Construction will self-perform 28% of the contract work and utilize Cal Pacific Plumbing, a LBE-MBE firm, to meet the 25% LBE subcontracting goal, resulting in 53% of the work being performed by LBEs, including subcontractors.

3. Summary of LBE Contract Participation in New Contract Awards. As discussed above, during FY 2014-15, the Port awarded four construction, eight professional service and two as-needed contracts for a cumulative value of \$9.6 million. Nine (64%) of the contracts with a total amount of \$6.6 million (69%), were awarded to LBEs. This includes over \$4.3 million (45%) that was awarded to LBE prime contractors and \$2.3 million (24%) awarded to LBE subcontractors.

B. Actual Contract Payments: As shown in *Table 3* below, during FY 2014-15, Port contract payments totaled \$12.26 million. Of all payments, \$5.72 million (47%) was paid to LBE firms, including \$3.54 million to primes and \$2.28 million to subcontractors. During this reporting period the Port exceeded average CMD goals in all three contracting categories: construction, as-needed and professional service contracts.

Table 3: Contract Payments and LBE Participation from July 1, 2014 – June 30, 2015

Contract Type	Total Payments	Local Business Enterprise					
		Prime Payments	Sub Payments	Total LBE Payments	Overall %	Sub %	Avg. Goal %*
As-Needed	\$1,960,600	\$320,557	\$636,738	\$957,295	49%	32%	22%
Construction	\$8,546,432	\$3,032,714	\$1,316,088	\$4,348,802	51%	15%	10%
Professional Services	\$1,751,143	\$190,378	\$222,618	\$412,996	24%	13%	12%
Total	\$12,258,175	\$3,543,649	\$2,175,444	\$5,719,093	47%	18%	14%

*CMD Subcontracting Goal

1. As-Needed Contracts. The Port currently manages 13 open and active as-needed contracts that received \$2.0 million in payments in FY 2014-15. As detailed in *Attachment 2*, LBE contractors received 49% of all as-needed contract payments in FY 2014-15, representing \$1.0 million in payments. The engineering (56% LBE contractor payments) related work performed well while real estate economics consulting (36%) and environmental (39%) maintained strong LBE contracting percentages.

- **Engineering** – Three of the four engineering contracts maintained subcontracting percentages at or above the average CMD LBE subcontracting requirements. One firm, PB-Structus Inc., fell below the 21% goal, with 0% in LBE subcontracting payments; however, the contractor has completed 13% in LBE subcontracting payments over the life of the contract. Port staff is identifying ways to help the firm set aside more work for its LBE subcontractors.

- *Environmental Services* – Of the three environmental services contracts, one is exceeding the 22% LBE goal, with 26% LBE utilization. The two remaining contracts are just below the CMD LBE subcontracting requirements; however, these contracts are very new and there is sufficient opportunity for the contractors to meet the LBE goal.
- *Real Estate* – On average, the four real estate contracts fell three percent below the CMD set goal during the reporting period. However, the overall subcontracting percentage is above the CMD set goal and Port staff expect the contracts to close above the CMD requirement.
- *Hazardous Waste Disposal* – There have been no payments on the two newly awarded As-Needed Hazardous Waste Disposal contracts.

2. *Construction Contracts*. The Port currently manages six open and active construction projects that received \$8.5 million in payments in FY 2014-15. As detailed in *Attachment 3*, LBE contractors received 51% of construction contract payments in FY 2014-15, representing \$4.3 million in payments. LBE subcontractors received \$1.3 million dollars or 15% of payments made to construction contracts. LBE utilization during the review period was higher than the average LBE subcontracting goal (10%) set at the time of contract award. Port and CMD staffs monitor payments to LBEs to ensure that Port contractors honor their contract commitments. As previously noted CMD measures LBE contracting compliance by the full amount of the contract, not on individual payments. As the contracts proceed the ratios of payments will likely adjust to the CMD set LBE goal.

- *Pier 35 Roof Repair* – The Pier 35 Roof Repair contract is 90% complete. Roebuck Construction has attained 43% LBE subcontracting utilization to date, far exceeding the 19% goal set by CMD.
- *Bayview Gateway* – The Bayview Gateway contract is 90% complete. Bauman Landscape, the project's LBE-OBE prime contractor, has attained 16% LBE subcontracting utilization to date, exceeding the 12% goal set by CMD.
- *Blue Greenway Signage* – The Blue Greenway Signage contract is 100% complete. Cal State Constructors has attained 19% LBE subcontracting utilization to date, exceeding the 8% goal set by CMD.
- *Beltline Building Restroom* – The Pier 27 Beltline Building Restroom Renovation contract is a micro-LBE set aside. There are no LBE subcontracting goals on micro-LBE set aside contracts; however, prime contractors must self-perform at least 25% of the project work. To date the project is 90% complete and Hoi's Construction, a LBE-MBE firm, has performed 86% of the project work.
- *Pier 49 Wharf Under Sewer Restoration* – No payments were made during the reporting period on the newly awarded contract.

- *Maintenance Dredging* – While most construction contracts have exceeded their individual LBE goals, the Maintenance Dredging contract is short of its 3% percent LBE subcontracting goal. As reported in prior contracting reports, the 3% LBE subcontracting goal was based on the estimated need to transport contaminated dredge spoils for landfill disposal. However, little of the Port dredging work has required landfill disposal of dredged spoils. Based on the locations of the planned dredging work, the Port expects that dredge spoils will not need to be trucked and thus the contractor will not have the opportunity to meet the 3% goal over the life of the contract.

3. *Professional Services Contracts*. The Port currently manages 16 open and active construction projects that received \$1.8 million in total payments in FY 2014-15, including \$0.4 million (24%) to LBE firms. As detailed in *Attachment 4*, there are three active professional service contracts governed by the LBE Ordinance. In FY 2014-15, payments to LBE subcontractors on LBE Ordinance governed professional service contracts totaled \$305,993 (33%) out of \$940,031 in total contract payments.

- *Crane Cove Park Design* – The Crane Cove Park Design Project led by AECOM, a non-LBE firm, has a 19% LBE subcontracting goal. AECOM is currently exceeding its goal with 26% of all payments going to LBE subcontractors.
- *Earthquake Vulnerability Study* – The Earthquake Vulnerability Study of the Northern Waterfront managed by GHD-GTC, a LBE-MBE joint venture, has a 25% goal. The Earthquake Vulnerability Study is falling below the goal with 22% of all payments going to LBE subcontractors. However, Port staff expects the contractor, GHD/GTC JV, will exceed the LBE subcontracting goal as the project enters its second phase, which includes work tailored to LBE subcontractors.
- *Financial Advisors* – The Municipal Financial Advisory contract led by Public Financial Management, a non-LBE, has a 20% goal. No payments were made to the Financial Advisory Services contract before the end of FY 2014-15.

The Port has an additional 13 active professional service contracts that are exempt from the provisions of the LBE Ordinance due to their small contract size, funding source requirements, or LBE subcontracting waivers granted by CMD. While these contracts are exempt from the LBE Ordinance, the Port paid LBE contractors \$107,063 (13%) out of \$811,112 in payments made to these 13 contracts.

C. Closed Contracts: At the conclusion of a contract, CMD staff reviews payment information, as well as the contract exit report and affidavit (known as CMD Form 8). CMD staff then confirms the contractor's compliance and/or good faith efforts to meet the contract's LBE requirements to Port staff in writing. In FY 2014-15, two construction contracts were formally closed and one is pending final review by CMD.

First, the Fisherman's Wharf Triangle Parking Lot Pedestrian Improvement contract, awarded to JDB Construction as an LBE micro-set aside, was closed on July 3, 2014 with a final project amount of \$113,105.² The Pier 50 Covered Storage Shed contract, also awarded to JDB Construction as an LBE micro-set aside, was closed on July 16, 2014 with a final project amount of \$402,212. JDB Construction performed \$108,400 (96%) of the contract work on the Fisherman's Wharf Triangle Parking Lot Improvement contract and \$164,500 (41%) on the Pier 50 Covered Storage Shed contract. Therefore, CMD determined that the contractor complied with the LBE Ordinance micro set-aside requirements on both projects.

Finally, contract work on the Blue Greenway Signage project concluded during the reporting period. While the project has not been formally closed out by CMD, according to Port records, Cal State Constructors the LBE-OBE prime contractor has attained a 19% LBE subcontracting goal, far exceeding the 8% goal set by CMD.

D. Compliance with Local Hire Requirements: The San Francisco Local Hire Policy for Construction applies to construction projects advertised for bid after March 25, 2011 that pertain to public works or improvements that are city funded with an engineer's estimate above \$1,000,000. The Local Hire Ordinance (Section 6.22.G.4 of the San Francisco Administrative Code) requires contractors and their subcontractors to attain a minimum of 30% total work hours by trade per project using San Francisco residents.³ The Ordinance also requires that 30% of apprentice hours per trade be performed by disadvantaged San Francisco residents. The program is managed by the Office of Economic and Workforce Development (OEWD). The Port currently maintains three open construction contracts subject to the requirements of the Local Hire Ordinance. OEWD staff advises that all three projects are compliant, as summarized in *Table 4*.

² Micro-LBE certification is available to small LBE firms under economic threshold amounts defined in the LBE Ordinance. Prime contractors on micro-set aside contracts must self-perform at least 25% of the contract work.

³ Local Hire requirements increase from 20% to 25% on applicable contracts solicited after March 2012, and to 30% for contracts solicited after March 2013.

Table 4: Local Hire Projection, FY 2014-15

Project	TOTAL WORK HOURS			APPRENTICE HOURS		
	Total	Local Hire	Local Hire %	Total	Local Apprentice	Local Hire %
30% Requirement						
Bayview Gateway Park	13,334	4,996	37%	2,306	3,103	91%
Blue Greenway Signage *	1,289	239	19%	86	74	86%
Pier 35 Roof Repair	7,798	4,459	56%	2,118	1106	52%

**OWED granted a conditional wavier or exemption that permits contractor to perform below the Local Hire requirement.*

Since the inception of the ordinance, 14 Port projects have been subject to the ordinance's provisions. While all of the projects have performed well, in some instances Local Hire estimates have been below the requirements due to conditional waivers and exemptions that OEWD reviewed and approved. In those cases, the prime contractors for each of the projects have requested conditional waivers and exemptions, including exemptions for marine related pile driving and operating engineering work, which are specialized trades that are excluded from the City's Local Hire Policy. The Pier 49 Wharf J1 Under-Pier Sewer Replacement will be included in subsequent reports as no work hours were associated with the contract in FY 2014-15.

IV. LEGISLATIVE UPDATE

In FY 2014-15, the Board of Supervisors adopted legislation establishing significant reforms to the Local Business Enterprise and Non-Discrimination in Contracting Ordinance ("LBE Ordinance) and the Public Works Contracting Policies and Procedures Ordinance ("Chapter 6").

A. Local Business Enterprise Ordinance: The LBE Ordinance was designed to level the playing field for small local businesses by increasing their ability to compete effectively for the award of City contracts. Specifically, through the LBE Ordinance, the City provides bid discounts, set asides, information and training, and other assistance to small and micro local businesses.

Prior to 2006, the LBE Ordinance, known as the MBE/WBE Program, provided discounts to woman and minority owned companies. Since 2006 the program has been applied in a race and gender neutral manner to comply with State law. The program includes any local business that meets certain size thresholds. In 2012, Mayor Edwin Lee transferred the responsibility for this program from the Human Rights Commission to the City Administrator's Contract Monitoring Division.

Key reforms in the new LBE Ordinance include:

- Creating an aspirational Citywide goal for LBE utilization of 40 percent;
- Creating the "San Francisco First" program requiring City departments to make good faith efforts to first obtain three bids from local businesses for construction contracts under \$400,000 and professional service contracts under \$100,000 prior to opening the solicitation to non-LBEs;
- Adding a bid discount of 2 percent for LBEs on contracts between \$10-20 million (the LBE Ordinance previously provided bid discounts to contracts under \$10 million);
- Requiring LBE utilization plans and subcontracting goals for all development agreements⁵ adopted by the Board of Supervisors;
- Increasing certification thresholds for certain industries; and
- Creating a mentor-protégé program to foster partnerships between established prime contractors and LBEs.

The new LBE Ordinance took effect on July 1, 2015.

B. Public Works Contracting Policies and Procedures Ordinance: As detailed in the City and County of San Francisco Administrative Code, Chapter 6 governs "public work or improvement contracting policies and procedures, including the procurement of professional design, consulting and construction management services for public work projects." A public work or public work or improvement, as used in Chapter 6, is "any erection, construction, renovation, alteration, improvement, demolition, excavation, installation, or repair of any public building, structure, infrastructure, bridge, road, street, park, dam, tunnel, utility or similar public facility performed by or for the City and County of San Francisco."

In June of 2014, the San Francisco Public Works Department (DPW) along the Controller's Office convened a working group, which included Port staff, to identify sections of Chapter 6 that hindered City departments' ability to procure construction and construction related professional services. The working group recommended 46 legislative changes, all of which were adopted by the Board of Supervisors in June of 2015.

Key reforms in the new Chapter 6 Ordinance include:

⁵ Chapter 56 of the Administrative Code defines development agreements as (1) affordable housing developments or (2) large multi-phase and/or mixed-use developments involving public improvements, services, or facilities installations, requiring several years to complete, as defined below in Section 56.3, or a housing development with a minimum of 1,000 units, as defined below in Section 56.3; or (3) rental housing developments with on-site affordable units, as defined below in Section 56.3

- Increasing the formal construction and emergency contract threshold amount to from \$400,000 to \$600,000;
- Extending the issuance of new contract service orders under as-needed contracts from three to four years;
- Allowing departments to procure public works contracts with no competitive solicitation if the work is estimated under \$10,000;
- Creating new contracting procedures to allow departments to procure furniture, fixtures, and equipment; and
- Creating a sole source provision in Chapter 6 that allows departments to procure sole source construction services.

The new Chapter 6 Ordinance took effect on August 1, 2015.

C. Impacts of Legislation on the Port: The amendments to the LBE Ordinance will have numerous impacts on Port contracting activity. The requirement to obtain bids from LBE firms prior to issuing RFPs will slow down the contracting process by one to two weeks. Port staff expects the increase in certification thresholds to expand the pool of certified LBE firms competing for City work. In August, City Administrator Naomi Kelly formally inaugurated the new mentor-protégé program at the Port's Pier 1. Port staff will work with CMD and the City Administrator's Office to promote the program in order to build the capacity of Port contractors.

The majority of Chapter 6 revisions will have a significant impact on departments with construction contract portfolios over \$1 billion, such as the Public Utilities Commission or Department of Public Works. However, the Port will experience changes related to the size of contracts permitted under the Executive Director's delegated authority. Port Commission action is not required because the current resolution is automatically adjusted to administrative code's threshold levels. Additionally, the changes to the ordinance will create efficiencies by allowing Port staff to issue larger informal and micro-LBE set aside contracts for minor construction work along the waterfront.

Port staff will continue to work with CMD, the City Administrator's Office, and contract awarding agencies to identify efficiencies in the City contracting processes to promote local business participation.

V. CONCLUSION

In FY 2014-15, the Port awarded fourteen new contracts totaling \$9.6 million of which \$6.6 million, or 69%, was awarded to LBEs. The Port made \$12.26 million in contract payments, of which \$5.72 million or 47% was paid to LBEs. Most contracts are meeting or exceeding their contractually obligated CMD goals based on overall contract spending to date.

In FY 2014-15, Port staff exceeded the Port Commission's informal policy requesting staff to direct 20% of contract payments and awards to LBEs.

Port staff will continue to work collaboratively with CMD, OEWD staff, and stakeholders to ensure continuing success in meeting Local Hire goals and maximizing economic opportunities for LBEs.

Prepared by: Boris Delepine
Contract Administrator

And

Meghan Wallace
Budget Manager

Prepared for: Elaine Forbes, Deputy Director
Finance & Administration

cc: Contract Monitoring Division, Lupe Arreola
Local 21, IFPTE, Ging Louie

Appendix A: General Contract Terms & Port Thresholds

Attachments:

Attachment 1: Contracts Awarded in Fiscal Year 2014-15
Attachment 2: As-Needed Contract Service Order (CSO) Payments
Attachment 3: Construction Contract Payments
Attachment 4: Professional Services Contract Payments

APPENDIX A

General Contract Terms and Port Thresholds

A. Use of Professional Services Contracts: Professional Services are those services which require the exercise of discretion and independent judgment in their performance, and/or the application of an advanced, specialized type of knowledge, expertise, or training. Examples of professional service providers include architects, engineers, and software developers. The City's Civil Service Commission must review all Professional Services contracts to determine whether City employees could perform the requested services and, if so, whether the Department can justifiably contract out the services. The Port contracts for professional services only when Port employees or other City employees cannot perform the work because of the limited nature of the work, peak workload obligations, lack of specific expertise, or other unusual circumstances such as mitigation of financial risk, funding or other legal requirements.

B. As-Needed Contracts: As-Needed contracts are Professional Services contracts which the Port uses for services that recur but are not consistent or predictable enough to justify full time staff. Currently the Port maintains as-needed services contracts for architecture and design services, economic analysis, environmental services, and hazardous materials disposal. Master Agreements for as-needed services are negotiated upon Contractor pre-qualification through formal, competitive RFQ processes. These agreements usually have a three-year term.

As-needed services are typically construction related professional services, such as engineering services. Following the requirements of Administrative Code Chapter 6.64, the Port tasks contractors with individual projects through the issuance of Contract Service Orders (CSO) that are not to exceed \$400,000 per public works project.⁴ Any CSOs exceeding \$400,000 per public works project require written justification by the department head to CMD establishing the urgency to perform the work under as-needed contracts rather than through a new formal competitive procurement. LBE subcontracting goals may apply to each Master Agreement or for each CSO. The Port's practice is to have an overall goal for the as-needed contracts and to manage individual CSOs to ensure overall compliance.

C. Delegated Authority: To streamline the Port's contract approval process and to be consistent with the San Francisco Administrative Code and the practice of other City departments, the Port Commission has delegated the following authority to the Executive Director (Resolution Nos. 09-29, 09-37 and 10-60):

- | | |
|-----------------------------------|-----------|
| • Contract Service Orders | \$500,000 |
| • Construction contracts | \$600,000 |
| • Professional services contracts | \$100,000 |

Delegated authority allows the Port's Executive Director to execute and award public works and improvement and professional services CSOs and contracts at or under the threshold limits without Port Commission review and approval.

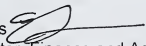
⁴ Chapter 6 of the Administrative Code governs construction and construction related services



MEMORANDUM

October 8, 2015

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Doreen Woo Ho

FROM: Elaine Forbes 
Deputy Director, Finance and Administration

SUBJECT: Request Approval of Fiscal Year 2015-16 Executive Director Salary

STAFF'S RECOMMENDATION: Approve Attached Resolution

Background

Charter Section B3.581(h) grants the Port Commission the exclusive authority to set the compensation of the Port's Executive Director. The Charter provides that the Executive Director's compensation shall not exceed the prevailing salaries paid to those holding similar positions in comparable maritime employment. It is the Port Commission's practice to also review the salaries of directors of other enterprise and similar departments within the City and County of San Francisco, and to set the benefits and working conditions in accordance with the Municipal Executives Association (MEA) memorandum of understanding.

Salary Survey

Staff conducted a survey of the salaries of port directors in the eight major West Coast ports. Of the eight (8) ports surveyed, three (3) have authority over both the seaport and the airport. The remaining five (5) ports have jurisdiction over the seaport only. For the five seaports, the average salary is \$292,545 as of June 30, 2015 (date of survey) and ranges from \$244,625 in Stockton to \$394,440 in Portland. A listing of these salaries is attached. While the City Charter does not define "prevailing salaries", Port staff, in consultation with the City Attorney's Office, considers the range of salaries paid to directors of West Coast seaports to be reflective of prevailing salaries in comparable maritime employment. However, the salary survey does not make adjustments for cost of living, or compare West Coast seaports size and complexity, but instead provides the most current salaries of directors to inform the Port Commission's deliberations.

This Print Covers Calendar Item No. 11B

These seaport directors, (with the exception of Port of Stockton who is provided a \$1,000 monthly car allowance), are also provided with an agency vehicle and free parking. The Port's Executive Director declined the use of a Port vehicle. Additionally, the Port's Executive Director pays, on a monthly basis, for parking at the Port for her private vehicle. Staff also surveyed the salaries paid to the directors of other enterprise departments and similar departments in the City and County of San Francisco, including the Airport, Public Utilities Commission, Department of Public Works, Health Department and the Municipal Transportation Agency. The average salary is \$286,509, with a range from \$225,146 at the Department of Public Works to \$319,765 at the Airport as shown in the attachment.

Port Director Salary Discussion and Options

Adhering to the Charter provision that the Port Executive Director's salary be set by the Port Commission, the Port Executive Director is subject neither to collective bargaining nor representation by an employee organization. Conversely, nearly all other department heads including the Mayor are represented by MEA and have their salaries set through the collective bargaining process.

As a matter of practice, the Port Commission traditionally follows MEA's compensation attributes in setting the Port Executive Director's Compensation. The MEA Memorandum of Understanding (MOU) was adopted for fiscal years 2014-17. In negotiations, MEA and the City agreed to an economic package equivalent to an 8.5-9.5% increase over three fiscal years, including a 3% increase on October 11, 2014 and a 3.25% increase effective October 10, 2015. Additionally, on July 1, 2016, represented employees will receive a base wage increase between 2.25% and 3.25% depending on inflation.

Applying the MEA MOU to the Port Executive Director salary would result in the following salary schedule:

Current Salary	\$262,002
3.25 % increase effective 10/10/15	\$270,530
2.25% - 3.25% increase effective 7/01/16	\$276,614 - \$279,318

Since the Port Director's salary is lower on average than that of other Seaport directors and similar department heads in the City and County of San Francisco surveyed by \$30,543 and \$24,507 respectively, the Port Commission should consider a salary increase of 3.25% for FY 2015-16 and up to a 3.25% increase on July 1, 2016.

It is the Port Commission's authority to set the Executive Director's salary for one fiscal year or for a longer term. Port staff has previously recommended that the Port Commission set the increase for the term of the MEA MOU since the increase is known, but the Port Commission has opted to set the Executive Director's salary annually.

RECOMMENDATION

Port staff recommends that the Executive Director's salary be increased at least consistent with the MEA schedule. Therefore, the recommended salary for the Port Executive Director would be set at \$270,530, annually, effective October 10, 2015. If the Port Commission chooses, it can also set the Executive Director's salary now for FY 2016-17 consistent with the MEA MOU.

This recommendation conforms to the salary setting parameters set in Charter Section B3.581.

Finally, it is recommended that the benefits and working conditions provided to the Port Executive Director in Fiscal Years 2014-17 be the same as those provided to employees represented by the MEA in Fiscal Years 2014-17.

Port staff considers it a policy decision for the Port Commission whether to further increase the Executive Director's salary within the prevailing wage range of other seaport directors. Once the Port Commission sets the Executive Director's Salary, the Port will implement the Port Commission's decision.

Prepared by: Lavena Holmes
Human Resources Manager

For: Elaine Forbes, Deputy Director
Finance & Administration

Attachment:
West Coast Port Directors/City Department Heads Salary Survey

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 15- 36

WHEREAS, Section B3.581(h) of the Charter grants the Port Commission the exclusive authority to set the compensation (salary and benefits) of the Port Executive Director; and

WHEREAS, Section B3.581(h) of the Charter provides that the compensation of the Port Executive Director shall not exceed prevailing salaries paid to those holding similar positions in comparable maritime employment; and

WHEREAS, a survey of salaries paid to Port Directors in the major west coast seaports indicated that the current average compensation is \$292,545; and

WHEREAS, a survey of City department heads in similar enterprise departments indicated that the average salary as of June 30, 2015 is \$286,509; and

WHEREAS, it has been the practice of the Port Commission to establish benefits and working conditions for the Port Executive Director in accordance with the benefits and working conditions provided in the collective bargaining agreement between the City and the Municipal Executives Association; now, therefore be it

RESOLVED, that the salary of the Port Executive Director effective October 10, 2015 will be \$270,530 per year, representing a 3.25% increase; and, be it further

RESOLVED, effective July 1, 2016, the Port Executive Director will receive a base wage increase in accordance with the MOU between 2.25% and 3.25% depending on inflation; and be it further

RESOLVED, that the benefits and working conditions provided to the Port Executive Director in Fiscal Years 2015-17 will be the same as those provided to employees represented by the Municipal Executives Association in Fiscal Years 2015-17.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of October 13, 2015.

Secretary

West Coast Port Directors
City Department Heads
Salary Survey June 2015

Port	Current Salary	Sea/Air	Effective Date	Total Empls	Total Gross Rev. (FY 14/15) (Millions)	Increase From Prev Review	Total Cargo Millions (Metric Ton)	Bargaining Unit	Civil Service Classification	Flat Rate/ Sal Range	Next Salary Increase
1 Long Beach	\$350,000	Sea	7/1/2014	517	\$356.88	Increase	165.53	No	No	Flat Rate	Unknown
2 Los Angeles	\$320,000	Sea	6/23/2014	893	\$423.00	Decrease	176.50	No	Yes	Flat Rate	Unknown
3 Oakland	\$344,793	Sea/Air	6/20/2015	450	\$440.73	Increase	2.40	No	No	Flat Rate	Unknown
4 Portland	\$394,440	Sea/Air	8/21/2014	764	\$305.80	Increase	12.90	No	No	Salary Range	8/20/2015
5 San Diego	\$291,012	Sea	6/12/2015	523	\$149.90	Increase	2.68	No	No	Flat Rate	Unknown
6 Seattle	\$349,999	Sea/Air	1/1/2015	1808	\$742.47	Increase	18.27	No	No	Flat Rate	Unknown
7 Stockton	\$244,625	Sea	7/1/2014	110	\$49.84	Increase	5.88	No	No	Flat Rate	7/1/2015
8 Tacoma	\$257,088	Sea	6/1/2014	248	\$134.32	Increase	20.42	No	No	Salary Range	6/1/2015
Avg- All Ports	\$318,995										
Avg- Seaports	\$292,545										
San Francisco	\$262,002	Sea	10/1/2014	275	\$85.74						

CCSF DEPARTMENTS	
1 Director, PUC	\$318,500
2 Director, Airport	\$319,765
3 Gen Mgr, MTA	\$294,000
4 Dir, DPW	\$225,146
5 Director, DPH	\$275,132
Average	\$286,509
Port Director	\$262,002

Port Executive Director Salary Difference

All Port	\$56,993
Seaports	\$30,543
SF Dept Head	\$24,507

Port Executive Director Salary - proposed*

effective 10/10/2015	\$270,530
effective 07/01/2016	\$276,614
	\$279,318 (range)

* the proposed salary is derived by adding the percentage increase to the base salary and rounding the bi-weekly rate to the nearest dollar in order to arrive at the hourly rate.
The Port Executive Director's salary is off-schedule.



MEMORANDUM

October 8, 2015

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Doreen Woo Ho

FROM: Monique Moyer
Executive Director *M Moyer*

SUBJECT: Informational update on the Earthquake Vulnerability Study of the Northern Waterfront Seawall

DIRECTOR'S RECOMMENDATION: Information Only - No Action Required

Executive Summary

This is an informational item on the progress of the Earthquake Vulnerability Study of the Northern Waterfront Seawall, a component of the overall effort to improve resiliency of the waterfront by quantifying risks, prioritizing actions, and executing improvement projects. The Northern Waterfront Seawall ("Seawall") stabilizes four miles of historic waterfront stretching continuously from Fisherman's Wharf to Mission Creek¹. The Earthquake Study² is a high level engineering study that will assess earthquake vulnerability, predict damage and economic impacts from a range of earthquake events, develop conceptual mitigation alternatives, and make recommendations for further action and/or study. The information is vital for the Waterfront Land Use Plan Update³ and to inform Port and City efforts to respond to climate change and sea level rise.

Significant progress has been made to date including a comprehensive review of existing information, developing a 3-D representation of geotechnical conditions, developing structural models of select bulkhead walls and wharves, generating site specific representations of earthquake ground shaking hazards, and gathering economic information on assets within the zone of influence. Initial results are being generated and will then be peer reviewed. Draft of results and recommendations are expected to be released by the end of this year.

This Print Covers Calendar Item No. 12A

¹ September 24, 2013 Port Commission presentation and staff report;

² July 7, 2014, and October 28, 2014 Port Commission presentations and staff reports;

³ September 22, 2015 Port Commission presentation and staff report;

Strategic Objective

This effort complies with the Port's strategic objective to lead the City's efforts to address infrastructure and seawall resiliency to earthquake, sea level rise and natural hazards. As such, the Port is developing and implementing a seawall plan that will maintain viability of Port's operations, increase protection of the Port's and City's assets, and enhance life safety in the face of degradation, flooding, earthquakes, climate change, and security hazards.

Background

The Northern Waterfront Seawall is one of San Francisco's most important and historic pieces of infrastructure. Constructed over 40 years beginning in 1878, the seawall transformed an irregular tidal marsh shoreline into a curving maritime friendly waterfront that was instrumental to the economic development of the City and remains so today. Stretching four miles from Fisherman's Wharf in the north to Mission Creek in the south, the seawall also made possible the creation of hundreds of acres of what now is some of the most valuable land in the world. Today, the seawall anchors the northern waterfront, silently providing support to historic bulkhead wharves and buildings, protecting the shoreline against tides and storms, and holding back the filled lands containing vital Port and City infrastructure including The Embarcadero Promenade and Roadway, MUNI Light Rail lines, and key utilities serving large areas of the City including Treasure Island. Every day thousands of people enter and leave the City by crossing over the seawall to access ferries and cruise ships, or by traveling under the seawall on BART trains. Thousands of visitors and residents walk, run, bike, or skate over the top of the seawall on their way to work, to a ballgame, to shop, to dine, or to experience the serene beauty of the Bay. It's easy to let yourself believe that the seawall has always been there and always will be.

In the 1850s, when San Francisco began transforming into a booming City, the northern waterfront along the Bay looked nothing like it does today. The typical condition of the waterfront was that of a broad tidal marsh similar to what one can see today at Richardson Bay north of Sausalito. Downtown was known as Yerba Buena Cove, a shallow cove extending to the vicinity of the now iconic Transamerica Pyramid. The City street grid extended through this area and water lots were sold to private interests who began filling them haphazardly and constructing timber wharves to get to deeper water where ships could berth. Order was brought to this chaotic scene by the Board of State Harbor Commissioners, which took control of the tidal lands in 1863, and began building a seawall in 1867 located at the edge of the mapped street grid. This zig zag wall was abandoned less than two years later when the corners began filling with silt. In 1873, Thomas J. Arnold proposed a curved seawall that would work with tidal currents to limit silting. It was located several hundred feet beyond the City street grid where construction would not impact the functioning of the City. This location allowed creation of a wide landside thoroughfare by filling the land behind the wall. In 1877 legislation was enacted to establish a new waterfront line and commence engineering plans for a seawall to run from Jones Street on the north to China Basin in the south, a distance of approximately 4 miles. Behind this seawall, filling created hundreds of acres of new land over the former tidal areas.

The seawall was created by dredging a trench through the mud, approximately 100 feet wide and 20 feet deep, filling with rock and rubble to create a pyramid shaped dike 40 feet tall, capping with a short timber pile bulkhead wall and timber wharf extending 50 to 60 feet out to deeper water beyond the toe of the dike, and filling the area landside to create a minimum 200 foot wide thoroughfare. Additional lands behind the wall were filled over time, often with rubble, debris, and dredged sand. The seawall was divided into eighteen sections of approximately 1,000-foot lengths to be constructed as funds became available. Construction commenced in September 1878 with section A in the north and by 1905, a total of 12 sections were completed largely consistent with the original design (sections A, 1, 2, 3, 4, 5, 6, 7, 8b, B, 8a, and 13). The remaining sections south of the Ferry Building were completed between 1909 and 1915 using a modified design where the rock dike was topped with a concrete bulkhead wall and wharf supported on concrete piles (sections 8, 9, 10, 11, 11a, and 12). As the seawall and bulkheads were completed, finger piers were constructed extending from the bulkhead wharves. The piers were originally of timber construction until 1909 at which point reinforced concrete and steel was used for new piers and as well as to replace all of the original timber piers, bulkhead wharves, and bulkhead walls apart from the Ferry Building. Today, there are more than 40 different combinations of rock dike, bulkhead wall, and bulkhead wharf that constitute the seawall.

Earthquake Vulnerability Study Scope and Objectives

Filled lands and waterfront structures throughout the world have experienced considerable damage in earthquakes. Hazards include liquefiable soils, soft soils, lateral spreading and settlement, and amplified ground shaking. Both the 1906 San Francisco and 1989 Loma Prieta earthquakes caused damage along the waterfront including permanent movement of the filled lands adjacent to the seawall. Of today's remaining structures, only the Ferry Building and slightly over one half of the rock dike experienced the 1906 earthquake. In 1992, an engineering consultant working for the San Francisco Department of Public Works studied the waterfront to assess performance of the Auxiliary Water Supply System and developed maps showing the potential of up to 2 feet of earthquake induced lateral spreading along portions of the waterfront. Recent projects including the Pier 43 Bay Trail Link and the Brannan Street Wharf have noted the potential for significant lateral spreading and movement of the seawall necessitating special detailing of the piles to accommodate the movement. In 2014, the City of San Francisco Lifelines Council released a report outlining a plan for improving earthquake resilience and included the seawall as a vital piece of infrastructure.

Given the substantial effort required to perform a detailed analysis of four miles of historic waterfront constructed and altered over 135 years, the approach chosen was to develop an advanced screening level methodology based on the wealth of available existing information. The scope of the Earthquake Vulnerability Study includes:

1. Study of Existing Information: Detailed review of existing record drawings, geotechnical reports and borings, condition surveys, earthquake damage reports, and other engineering reports.

2. Zone of Influence: Establishment of the likely zone of influence of the seawall upon bayside structures and the upland areas of filled land for purposes of predicting damage associated with seawall performance.
3. Subsurface Mapping: Development of detailed geotechnical maps showing fill thickness, bay mud thickness, and depth to bedrock, and other important information for predicting earthquake behavior of the waterfront.
4. Subset Study: Selection of eight (8) representative seawall sections for detailed engineering analysis and use of engineering judgment to extrapolate results to other areas.
5. Site Specific Earthquake Hazard: Engineering analysis to generate site specific earthquake ground shaking hazards using the current best estimate probabilistic fault rupture scenarios.
6. Lateral Spreading: Engineering analysis to quantify lateral spreading and settlement and depicting with maps illustrating the variation within the zone of influence for various earthquake hazard levels.
7. Bulkhead Wall Performance: Engineering analysis to quantify the stability of selected bulkhead walls for various earthquake hazard levels.
8. Bulkhead Wharf Performance: Engineering analysis to quantify performance of selected bulkhead wharves for life safety and collapse under various earthquake hazard levels. Bulkhead buildings are not analyzed, but considered in the analysis and identified in the results of the supporting wharves.
9. Utility Mapping and Performance: Mapping of utilities within the seawall zone of influence and seeking assistance and cooperation from utility agencies to assess impacts due to lateral spreading and settlement. This is an important consideration in overall economic impacts and prioritization of mitigations.
10. Flood Hazard: Engineering analysis to quantify the extent of post-earthquake flood hazard associated with seawall damage and settlement of land behind the seawall.
11. Economic Impact: High level economic analysis to quantify the economic impacts associated with predicted seawall performance.
12. Possible Mitigations: Engineering design to develop a range of conceptual level mitigation and improvement measures, quantify costs, benefits and impacts.
13. Prioritization: Development of a ranking scheme and generation of recommendations for prioritizing mitigation measures and/or additional detailed study necessary to inform policy and priorities. Include life safety, economic impacts to Port and City, post disaster recovery role, benefit/cost.

Initial Findings

The expected zone of influence of the seawall is shown in Exhibit A. The zone of influence includes the bulkhead buildings and extends landward several blocks beyond The Embarcadero roadway.

Geotechnical maps have been completed and are attached as Exhibit B. The maps show a significant variation in young bay mud thickness and bedrock depths along the waterfront, both of which are key variables impacting earthquake shaking levels and seawall response.

Representative seawall sections have been selected and detailed ground and structure profiles generated, see Exhibit C. All sections indicate the rock fill dike sits upon poor soils, usually young bay mud, but in some cases sand. The artificial fill forming the land behind the seawall is typically liquefiable at low levels of earthquake ground shaking. The young bay mud underlying the rock dike is prone to degradation and strength loss during earthquake ground shaking and may contribute significantly to lateral spreading. The potential spreading will be quantified by the detailed slope stability analysis of the selected sections and engineering judgement used to extend the results throughout the zone of influence.

Earthquake ground shaking predictions have been generated at select return periods from 200 years to what is considered a Maximum Considered Earthquake. A return period is an estimate of the average frequency (in years) that a site will sustain ground-shaking of a given intensity or greater. It is the inverse of the annual probability. For example, for a 100 year return period, there would be a 1% probability of this event being exceeded in any given year. Observations from prior earthquakes are being used to calibrate models and justify predictions of behavior and damage. Below are typical observations from prior earthquakes. A common seismograph recording of both earthquakes is included in Exhibit D as a comparison.

1906 San Francisco Earthquake. The California earthquake of April 18, 1906 occurred at 5:12 a.m. with an inferred epicenter approximately 2 miles off the coast of San Francisco and resulted in a 296-mile long rupture along the San Andreas fault from San Juan Bautista in the south to Cape Mendocino in the north. It is estimated to have had a moment magnitude of 7.8. The duration of shaking in San Francisco was about one minute.

In the districts along the waterfront in the areas of "filled" or "made" land, the damage was severe where the pavements were buckled, arched and fissured, brick and frame houses were damaged extensively or destroyed, portions of streets were moved laterally several feet, sewer and water mains were broken, and streetcar tracks were bent into wavelike forms (Lawson, 1908). Near the Ferry Building, the Lawson report¹ indicates that the streets sank as much as 2 feet, probably more, and that the surface of the ground was deformed into waves and small open fissures were formed, especially close to the wharves. Buildings along the water side generally slumped seaward, in some cases as much as 2 feet. The report goes on to say that the damage was greatest close to the water's edge, growing less as the solid land was approached, gradually at first, then more rapidly.

¹ Lawson, A.C., chairman, 1908. The California Earthquake of April 18, 1906: Report of the State Earthquake Investigation Commission: Carnegie Institution of Washington Publication 87, 2 vols.

1989 Loma Prieta Earthquake. The Loma Prieta Earthquake occurred on October 17, 1989 at 5:04 pm in which San Francisco experienced the highest intensity earthquake shaking since the 1906 Earthquake. It was a much smaller seismic event than the 1906 Earthquake though, as the moment magnitude of the Loma Prieta Earthquake was approximately 6.9 and the epicenter was 60 miles south-southeast of San Francisco in the Santa Cruz Mountains. The earthquake occurred over a 30-mile long segment of the San Andreas fault, and coincided with the southernmost segment of the 1906 Earthquake rupture surface. The duration of the shaking was approximately 8 to 15 seconds.

Despite the relatively low levels of shaking and short duration, soil liquefaction affected sites in the City and County of San Francisco. Most of the reported damage occurred in the Marina District, though lesser damage was noted at Pier 45, Piers 27 and 29, along The Embarcadero between Fisherman's Wharf to the area north of the Bay Bridge, and at the Ferry Plaza⁵. Effects of soil liquefaction included settlement, pavement cracking and sand boils. The SEAOC report indicates that the seawall along The Embarcadero to the Bay Bridge was damaged throughout much of its length. In several places, the wall experienced horizontal cracking or opening of horizontal construction joints on the exposed face. The report also indicates that the soil at the base of the seawall on the bayward side settled and spread laterally due to liquefaction and the retained soils liquefied leading to settlement of paving and other improvements. The USGS report (Holzer, 1998) also reports evidence of liquefaction and lateral spread along the waterfront with settlement of up to 3 to 8 inches in some areas next to the piers as well as in the financial district.

LBE Role/Opportunities

This study is being performed by a team of engineering consultants led by a joint venture of the firms GHD and Geotechnical Consultants, Inc. (GTC). GTC is an LBE firm and is responsible for 40% of the prime consultant's work scope. The team includes the following LBE certified firms as subconsultants: Land Economics Consultants, LLC (LBE-OBE); Ansari Structural Engineers (LBE-MBE); Saylor Consulting Group (LBE-WBE); Rollo & Ridley (LBE-OBE); and Telamon Engineering (LBE-WBE). GHD/GTC JV is on target to meet or exceed the 25% LBE goal set by the Contract Monitoring Division for this contract.

Climate Action

This study will adhere to the latest guidelines and science related to climate change and sea level rise. Proposed retrofit alternatives will fully consider sea level rise and other climate change impacts in the Cost/Benefit analysis.

⁵ Seed et al., 1990: Structural Engineers Association Of California 1991

Funding

The study is funded by Port capital allocated in the FY 2014-15 Capital Budget. Additional funding to advance the seawall program is allocated in the FY 2015-16 Capital Budget.

Next Steps

In the coming weeks, draft results will be reviewed by Port staff and members of the Seawall Technical Advisory Committee (a committee of representatives from City Agencies). After initial review, information will be peer reviewed by a separate engineering consultant team using the As-Needed Engineering Contract. Thereafter, an updated draft of analysis results and recommendations will be reviewed. Port staff expects to present results and recommendations to the Port Commission in early 2016.

Prepared by: Steven Reel, Project Manager, Engineering

For: Eunejune Kim, Chief Harbor Engineer

Exhibits:

- A. Seawall Zone of Influence
- B. Geotechnical Maps
- C. Seawall Sections
- D. Seismograph of 1906 and 1989 Earthquakes

Exhibit A: Seawall Zone of Influence



— 2004 —

Journal of Management Education 34(1)

For $\alpha \in \mathbb{R}$ let $\mathcal{F}_\alpha = \{f \in \mathcal{F} : f(\alpha) = 0\}$. Then \mathcal{F}_α is a subspace of \mathcal{F} and $\mathcal{F} = \mathcal{F}_\alpha \oplus \mathcal{F}_\alpha^\perp$. Let $\mathcal{F}_\alpha^\perp = \{f \in \mathcal{F} : f(\alpha) \neq 0\}$. Then \mathcal{F}_α^\perp is a subspace of \mathcal{F} and $\mathcal{F} = \mathcal{F}_\alpha \oplus \mathcal{F}_\alpha^\perp$. Let $\mathcal{F}_\alpha^\perp = \{f \in \mathcal{F} : f(\alpha) \neq 0\}$. Then \mathcal{F}_α^\perp is a subspace of \mathcal{F} and $\mathcal{F} = \mathcal{F}_\alpha \oplus \mathcal{F}_\alpha^\perp$.

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Exhibit B: Geotechnical Maps (2/3)
Thickness of Young Bay Mud



LEGEND

Seawall (Historical)

Zone of influence where 1/2" bed of the seawall
exists and within the lateral spread segment 200'

Topographic Profile

To find locations of the survey, see the map

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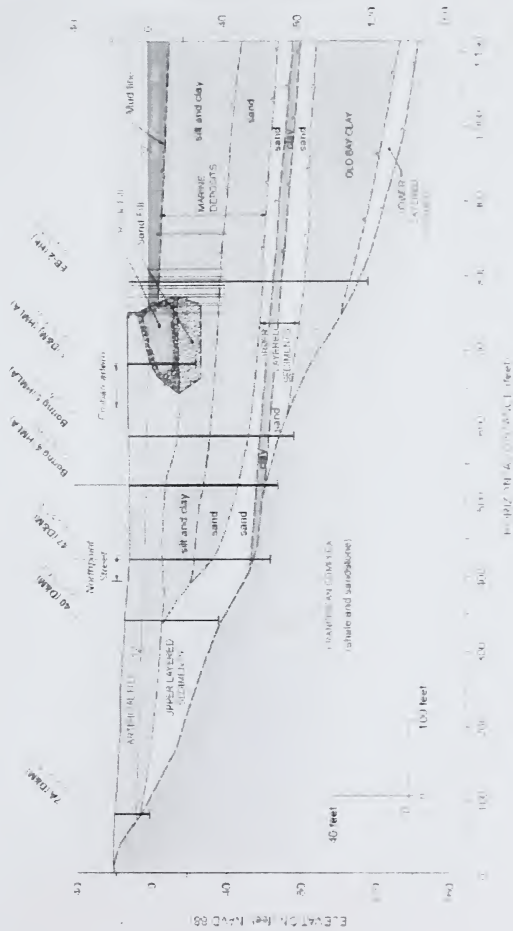
Exhibit C: Seawall Sections (1 of 8)
 Historic Section B - Vicinity of Pier 43

DETAILED PROFILE
 PRESENT
 ST. AUGUSTINE



Received 10 May 1994; accepted 10 July 1994

144-7-93



GEOLOGIC PROFILE
THROUGH
SEAWALL SECTION 3

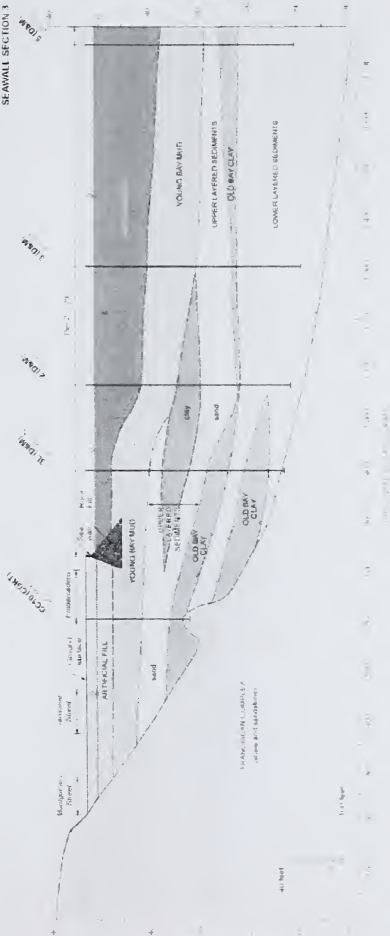
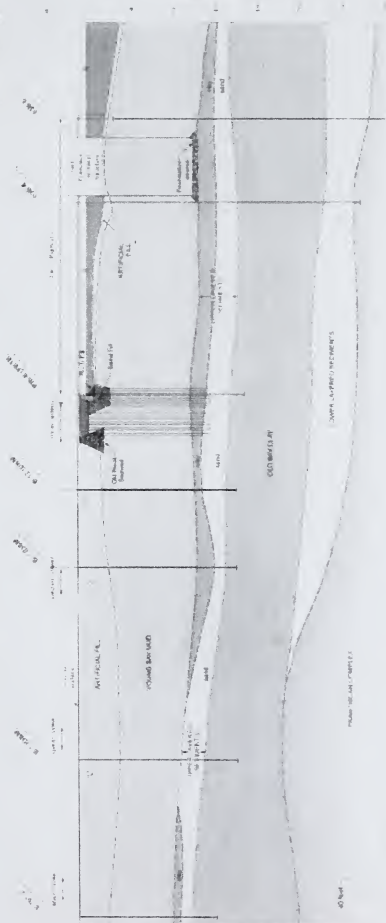


Exhibit C: Seawall Sections (4 of 8)
 Historic Section 7 - Vicinity of Pier 3

SECTION 7
 1907-1908
 1907-1908



46 *Journal of Management Inquiry* 12(1)

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Exhibit C: Seawall Sections (6 of 8)
Historic Section 9a - Vicinity of Howard Street

GEOLOGIC PROFILE
THROUGH
SEAWALL SECTION 9a

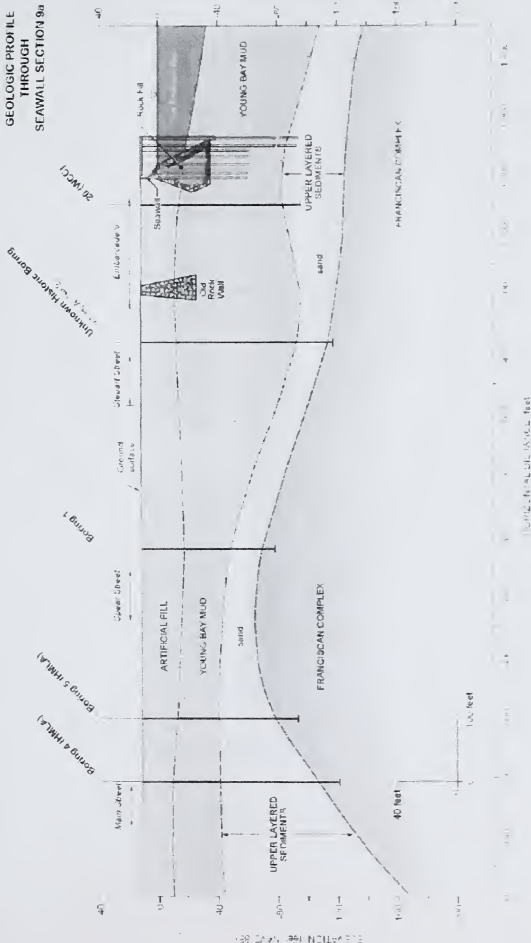


Exhibit C: Seawall Sections (7 of 8)
 Historic Section 12 - Vicinity of Pier 38

GEOLOGIC PROFILE
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 SEAWALL SECTION 12

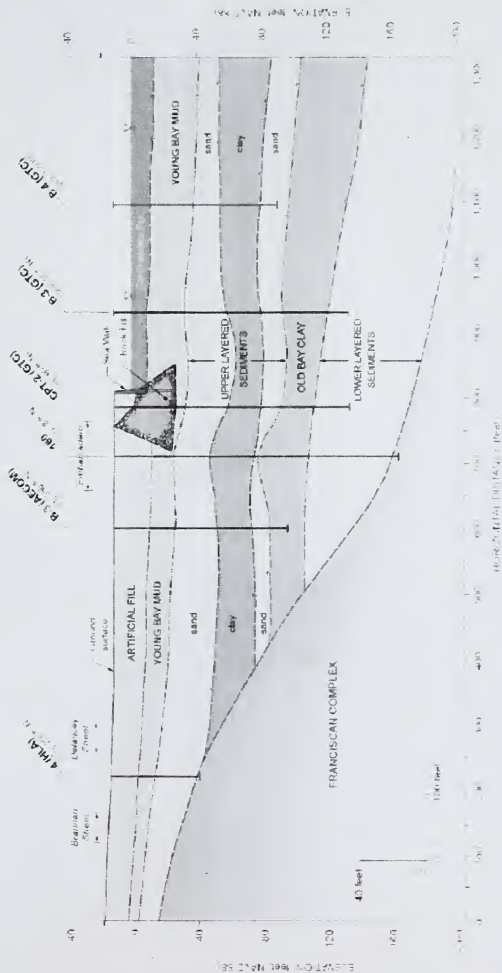
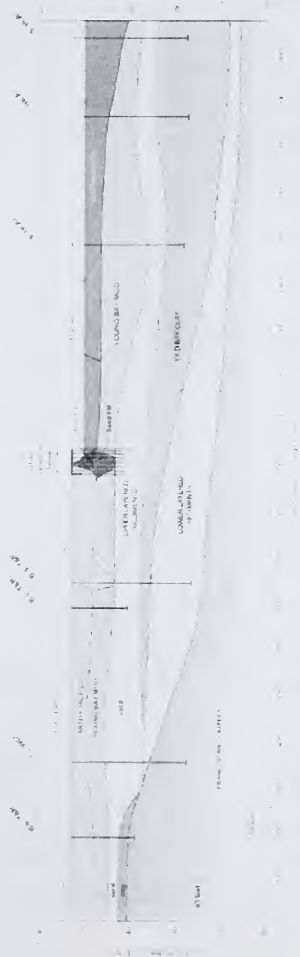
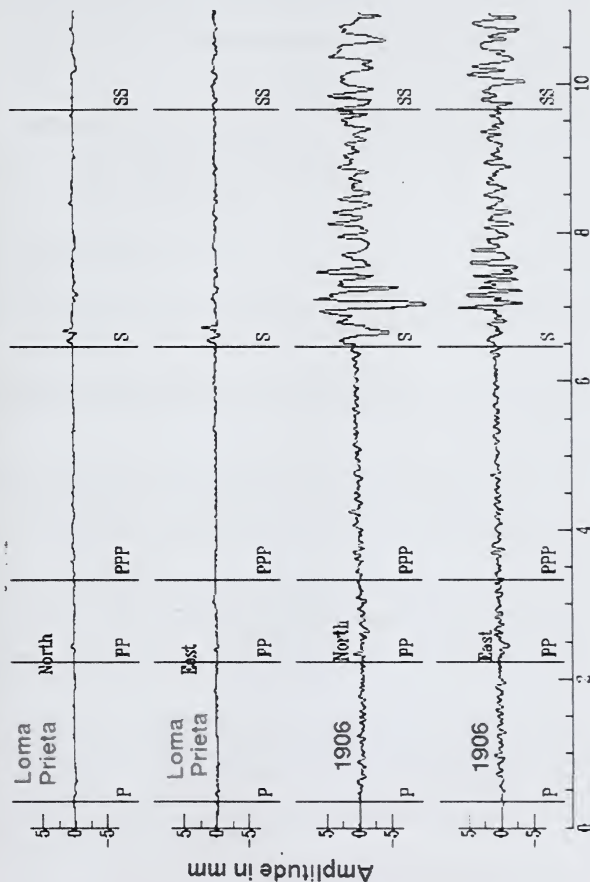


Exhibit C: Seawall Sections (8 of 8)
 Historic Section 46 - Vicinity of AT&T Park

CALIFORNIA DEPARTMENT OF
 TRANSPORTATION
 DIVISION OF HIGHWAYS



Comparison of 1906 and Loma Prieta records at Gottingen, Germany





MEMORANDUM

October 8, 2015

TO: MEMBERS, PORT COMMISSION
Hon. Leslie Katz, President
Hon. Willie Adams, Vice President
Hon. Kimberly Brandon
Hon. Doreen Woo Ho

FROM: Monique Moyer *M Moyer*
Executive Director

SUBJECT: Presentation on the Port of San Francisco's Foreign Trade Zone No. 3 and overview of the U.S. Department of Commerce's Foreign-Trade Zones Program

DIRECTOR'S RECOMMENDATION: Informational Presentation

Summary

Foreign trade zones ("FTZs") were established by the U.S. Congress in 1934 to stimulate economic development in communities by providing businesses with economic advantages to conduct international trade activities in the U.S. An FTZ designation is granted by the FTZ Board within the U.S. Department of Commerce.

FTZs allow imported merchandise to be manufactured, assembled, processed, stored, distributed, sold, auctioned, tested, cleaned, calibrated, consolidated, sampled, relabeled, repackaged, inspected, displayed, repaired, commingled, manipulated, mixed, salvaged, or destroyed. These activities provide U.S.-based facilities the ability to conduct many of the processes in the U.S. that might otherwise be done overseas and thereby preserve U.S. jobs and economic activity.

In 1948, the Port of San Francisco received a Grant of Authority to establish, operate and maintain an FTZ for the City and County of San Francisco (FTZ No. 3). A specific general purpose zone was opened in 1948 at Pier 45 and subsequently moved to Piers 19-23, where it operated until December 2008. The zone was operated as a brick and mortar cargo facility for its first fifty years. Over time, its location on the Port's northern waterfront became operationally more difficult and truck loading/unloading on the busy Embarcadero made cargo handling inefficient.

This Print Covers Calendar Item No. 13A

The FTZ Board implemented their new Alternative Site Framework ("ASF") program in 2009. The new program streamlines the application process for FTZ applicants by reducing the application itself and by shortening the application processing time from 8-10 months to 30-45 days. The ASF program allows a "virtual" warehouse or distribution center in our geographic area to take advantage of FTZ benefits. The benefits are more portable to business locations outside of Port of San Francisco properties.

In September 2009, the Port Commission authorized the Executive Director to submit ASF Modification No. 1 of FTZ No. 3 to the FTZ Board to reorganize FTZ No. 3 under the Board's new ASF program. The Port subsequently submitted the modification application and was granted ASF status by the FTZ Board. Piers 19-23 were de-designated as an FTZ at that time. The newly-established ASF "Service Area" of FTZ No. 3 was designated to cover all of San Francisco and San Mateo Counties.

Port staff subsequently identified strong interest in the FTZ program in other Bay Area counties outside of San Francisco and San Mateo Counties, including Marin, Sonoma, Napa, Solano, and Contra Costa. In September 2012, the Port Commission authorized the Executive Director to submit an application to the FTZ Board to expand the FTZ No. 3 service area to include all or parts of these five additional counties. This expansion application was approved by the FTZ Board in April 2013.

Port staff has worked diligently to promote the FTZ No. 3 to companies in the region. Staff has made numerous presentations to local businesses, trade groups, chambers of commerce, economic development organizations, municipalities and governmental organizations extolling the benefits the FTZ program can offer as an economic development tool and job creator in their respective communities. Staff held FTZ public informational forums in June 2012 and September 2015, the latter of which was co-sponsored by the Oakland FTZ No. 56. Port staff has collaborated on marketing strategies with the Oakland FTZ and San Jose FTZ No. 18.

The Role of FTZ Grantees

The Port of San Francisco, as the "grantee" of FTZ No.3, is mandated to operate under the rules and regulations of the Foreign-Trade Zones Act. The Act was signed into law in 1934 by President Franklin Roosevelt as a vehicle to stimulate international trade and to mitigate against the negative effects of trade by providing incentives to U.S. firms to keep jobs and economic activity in the U.S. The City and County of San Francisco was issued the third FTZ grant of authority in the nation in 1948 after New York (FTZ No. 1) and New Orleans (FTZ No. 2).

As structured in the Foreign-Trade Zones Act of 1934 – an FTZ is created when a local organization, such as a city/county government or a port authority, applies to the FTZ Board and is granted the privilege of sponsoring one or more FTZ sites in a region. The local organization is then known as the "grantee" of that zone.

FTZ grantees may apply to the FTZ Board to establish additional sites or subzones to bring FTZ designation to companies in their region. The grantee function exists to serve the FTZ-related needs of the local business community. A grantee is the official sponsor of any site of its zone, so companies that seek to use FTZ procedures need to contact their local grantee organization to discuss the application process and requirements.

FTZ activity occurs under the direct supervision of U.S. Customs and Border Protection ("CBP"). After the FTZ Board has designated a site for FTZ use, any company that seeks to use that site must first conclude an agreement with the zone grantee and then apply to CBP to "activate" the site. Once activated by CBP, the company is known as a zone "operator."

Each CBP port of entry is entitled to the establishment of one FTZ (grantee). Additional zones for a port of entry can only be approved if the existing zone will not meet the "convenience of commerce." As a result, most zone grantees have a monopoly on local access to the FTZ program, and the FTZ Act requires that each zone be run as a public utility and afford uniform treatment under like conditions to actual or potential zone users.

As a public utility, each zone may charge fees to recover the costs associated with the grantee function. However, a zone may not assess any fee for which the amount – or formula for calculating the amount – does not appear in its "zone schedule" submitted to the FTZ Board. Each grantee's zone schedule must include a list of any fees charged by that grantee – as well as any internal rules or policies that the grantee has adopted – and the zone schedule must be in place (submitted to the FTZ Board) before the grantee may allow any company to use the zone. FTZ No. 3's latest zone schedule fee structure was approved by the Port Commission in February 2014.

The role of the zone grantee (such as the Port) is to provide general management of the zone to ensure that the reasonable needs of the business community are served. The FTZ Board's regulations state that a grant of authority to establish a zone, on its own, does not make the zone grantee liable for violations by companies that operate or use its zone. It would not be in the public interest to discourage public entities from zone sponsorship because of concern about liability without fault. Most grantees are not involved in the details of companies' zone operations; however, a grantee could create liability for itself that otherwise would not exist if the grantee undertakes detailed operational oversight of or direction to companies that use its zone. To clarify the relationship between the grantee and operator and protect the grantee from liability, an Operations Agreement is negotiated between the two parties.

Discussion

A Foreign Trade Zone site is a secured area near a designated customs "port of entry," and while physically located within the U.S. it is considered outside the U.S. Customs territory. This allows for foreign goods to be brought into FTZs without formal customs entry for manufacturing, testing, assembly, processing, storage, distribution and other

activities noted above. Duty payments on imported goods and materials can be reduced or eliminated, or deferred until they leave the designated area and enter U.S. commerce. Goods not entering U.S. commerce, for instance re-exports or scrap, are not obligated to pay customs duties.

In order to participate in the program, local interested businesses in the seven-county service area apply through Foreign Trade Zone No. 3. Applications are posted on the U.S. Foreign-Trade Zones Board website at: <http://ia.ita.doc.gov/ftzpage>. After the application is approved, they can be eligible for the following benefits:

Duty Deferral

Duties are paid on goods only as they leave the FTZ to be sold, improving cash flow.

Duty Reduction

Items can be packaged, manufactured or utilized as part of another product. If a lower duty applies to the finished product, only that amount is paid.

Duty Elimination

If a product is re-exported or sold to the military, no duty is paid. Likewise, documented waste or faulty product incurs no duty charge.

Additional benefits

- Weekly entry of imported shipments, rather than "per-shipment" entry allows for substantial savings on processing fees.
- No duty is paid on domestic content or value added to a product, including the cost of labor, use of domestic parts, overhead, and profit. Final duties are assessed on the value of foreign content only.

Foreign Trade Zone No. 3 currently has four active sites: Chevron Refinery, Richmond (established in 1998), Valero Refinery, Benicia (established in 2010), Phillips 66 Refinery in Rodeo (established in 2014) and Expeditors International in Brisbane (established in 2014). One site is currently approved by the FTZ Board and is awaiting CBP activation approval: Menzies Aviation at SFO International Airport. The Foreign Trade Zone Act specifies that grantees can only charge fees to zone users that cover grantee administrative costs. Thus, the Port does not earn excess revenues directly from this service.

Annual Port revenues from FTZ customers:

Customer	Amount
Chevron Products	\$20,000
Expeditors International of Washington Inc.	\$14,000
Phillips 66 Company	\$20,000
Valero Refining Company-California	\$20,000

Summary

FTZs were established by the U.S. Congress in 1934 to stimulate economic development in communities by providing businesses with economic advantages to conduct international trade activities in the U.S. In 1948, the Port of San Francisco received a Grant of Authority to establish, operate and maintain an FTZ for the City and County of San Francisco (FTZ No. 3). FTZ No. 3's service area now covers seven Bay Area counties including San Francisco, San Mateo, Marin, Solano, Contra Costa and parts of Sonoma and Napa. FTZ No.3 currently serves four sites with a fifth site pending federal approval. Port staff has worked diligently to promote the FTZ No. 3 to companies in the region, most recently by holding an FTZ public informational forum in September 2015 co-sponsored by the Oakland FTZ No. 56. Administration of FTZ No.3 meets the Port's strategic objective of attracting and retaining maritime and non-maritime commerce in order to contribute to the economic vitality and long term viability of the Port and the City.

Prepared by: Jim Maloney, Maritime Marketing Manager

For: Peter Dailey, Deputy Director Maritime



SAN FRANCISCO PORT COMMISSION

**OCTOBER 13, 2015
MINUTES OF THE MEETING**

MEMBERS, PORT COMMISSION

HON. LESLIE KATZ, PRESIDENT

HON. WILLIE ADAMS, VICE PRESIDENT

HON. KIMBERLY BRANDON

HON. DOREEN WOO HO

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**MONIQUE MOYER, EXECUTIVE DIRECTOR
AMY QUESADA, COMMISSION SECRETARY**

CITY & COUNTY OF SAN FRANCISCO PORT COMMISSION

MINUTES OF THE MEETING OCTOBER 13, 2015

1. CALL TO ORDER / ROLL CALL

Port Commission President Leslie Katz called the meeting to order at 2:35 p.m. The following Commissioners were present: Leslie Katz, Willie Adams and Kimberly Brandon. Commissioner Doreen Woo Ho was not present.

2. APPROVAL OF MINUTES – September 22, 2015

ACTION: Commissioner Brandon moved approval; Commissioner Adams seconded the motion. All of the Commissioners were in favor. The minutes of the September 22, 2015 were adopted.

3. PUBLIC COMMENT ON EXECUTIVE SESSION

4. EXECUTIVE SESSION

A. Vote on whether to hold closed session.

ACTION: Commissioner Brandon moved approval; Commissioner Adams seconded the motion. All of the Commissioners were in favor.

At 2:37 p.m., the Commission withdrew to executive session to discuss the following:

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTERS (Discussion Items):

- a. Discuss existing litigation matters pursuant to California Government Code Section 54956.9(a) and San Francisco Administrative Code Section 67.10(d):
 - Neighbors to Preserve the Waterfront; Friends of Golden Gateway; and San Franciscans for Reasonable Growth v. City and County of San Francisco; Planning Department of the City and County of San Francisco; Port Commission of the City and County of San Francisco; Board of Supervisors of the City and County of San Francisco, et al.; Superior Court of California, County of San Francisco (Case No. CPF 12-512356), filed July 23, 2012.

- Ferry Building Investors, LLC and Ferry Building Associates, LLC v. San Francisco Port Commission; City and County of San Francisco; Board of Supervisors of the City and County of San Francisco, et al. ; Superior Court of California, County of San Francisco (Case No. CPF 12-512355), filed July 20, 2012.
- Defend Our Waterfront v. California State Lands Commission; City and County of San Francisco; Port Commission of the City and County of San Francisco, et.al. (Case No. CGC-12-512509; Appeal No. A141696), filed September 25, 2012.

(2) **CONFERENCE WITH LEGAL COUNSEL AND REAL PROPERTY NEGOTIATOR** – This is specifically authorized under California Government Code Section 54956.8. *This session is closed to any non-City/Port representative: (Discussion Items)

- a. Property: Pier 1, located at the Embarcadero & Washington Street
Person Negotiating: Port: Jay Edwards, Senior Property Manager, Real Estate Division
Negotiating Parties: AMB Pier One LLC: Steve Lueck, Senior Vice President, Prologis

5. RECONVENE IN OPEN SESSION

At 3:34 p.m., the Commission withdrew from executive session and reconvened in open session.

ACTION: Commissioner Brandon moved approval to reconvene in open session; Commissioner Adams seconded the motion. All of the Commissioners were in favor.

ACTION: Commissioner Brandon moved approval to not disclose any information discussed in closed session; Commissioner Adams seconded the motion. All of the Commissioners were in favor.

6. PLEDGE OF ALLEGIANCE

7. ANNOUNCEMENTS – The Port Commission Secretary announced the following:

- A. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting: Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.
- B. Announcement of Time Allotment for Public Comments: Please be advised that a member of the public has up to three minutes to make pertinent public

comments on each agenda item unless the Port Commission adopts a shorter period on any item.

8. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

Lee Radner, chair of the Friends of Golden Gateway (FOGG) for the last 13 years - We have over 2,700 supporters who have many diverse opinions and thoughts. On one, they're 100% i.e. the maintaining of the outdoor recreational community center that is on the so-called 8 Washington property. I believe Aaron Peskin and Jon Golinger were here at your last meeting, so I'm doing the clean-up of what was going on. I noted, in your Executive Session, that you were covering just about every issue that has been gone through to the public and in the courts. We all recognize the decision, whereby both the voters and the courts so I'm hoping that you're settling down and working towards some mutual agreement that we can focus on developing a proper development on those properties. We're going into the waterfront phase right now of updating, and I'm hoping that after 13 years we can come together and work particularly as our concern is on Seawall Lot 351. We have some thoughts and ideas. We'd like to keep this open to the public, but at the same time provide revenues to the Port. We have no problem with that. We just don't believe it should be built in expensive condos for just a few rich people who probably wouldn't even live here. Those are my thoughts today. I was hoping that maybe you would express some ideas of what went on in your Executive Committee, but I didn't believe that would happen.

Thomas Stinson - Thank you for allowing me to speak. Sinbad's would like to point out we are acting as best as we can to resolve all the litigations. We've been in contact with your counsel towards working out everything. A Commission discussion is required before anything can be finalized and we are very much hopeful that we can be scheduled on your agenda, late October 27th. Thank you for your time.

9. EXECUTIVE

A. Executive Director's Report

- Port's El Niño Preparation for Winter 2015-16

Monique Moyer - At a previous meeting during our new business, you requested that we provide you with an update on what our activities are in preparation for El Niño.

As most everyone knows, there is an El Niño weather pattern forecasted by the National Weather Services to hit Northern California this winter. The Port, if such a storm effect occurred, could potentially experience storms, related damage caused by heavy rains, winds, that could lead to flooding, power outages, damages to facilities, sewage issues, potentially surface flooding that could impact traffic on the Embarcadero roadway or

pedestrian activity on the Promenade or even could cause delays to ferry service depending on the severity of the seas and the winds.

The Port has been working closely with many other City agencies to prepare our contingency plans. It is anticipated that in the event of severe storms, the City's Emergency Operations Center, its EOC, will activate for the duration of an event or events plural. If needed, the Port would open its own Department Operations Center here at the Port to manage our activities through the storms.

To date, Port Maintenance, Port Homeland Security staff, our Engineering, Real Estate and Maritime staff have been working to identify concerns and responses. So far we have been addressing our resources, making sure that our generators, message boards, generator lights, vehicles and equipment are serviced and anticipate a deployment. We are stockpiling and staging other resources such as debris boom, sandbags, electric heaters, submersible pumps, barricades, plywood. We are readying our mass communications systems so that we can get to, outreach to our tenants if needed. We are working closely with the Public Works Department and the Public Utilities Commission as well as making sure our catch basins and roof drains are cleared and cleaned, much as you would on your own place of residence. In addition, we've installed a concrete berm around the Agricultural Building sewer pump and other places that we know are a bit fragile. We are in the process of preparing. The City is in the process of preparing. We are anticipating the worst and hoping for the best.

- Mission Rock Farmers' Market – September 27, 2015

As you may recall as part of the Seawall Lot 337 pop-up at Mission Rock, a Farmers' Market was anticipated and it finally launched on September 27, 2015. It's intended to be monthly through the end of the year. A Farmers' Market was held on September 27th, and the next one will be October 25th, then November 22nd and December 20th. They are held from 10:00 AM to 2:00 PM and they're operated by CUESA who does a terrific job. These pop-up markets celebrate fall harvest and holidays and the first one got about 25 vendors with an estimated 1,000 attendees between 10:00 AM and 2:00 PM. It was a big success. It got some nice coverage in the San Francisco Web site and San Francisco Gate. The Giants and CUESA have been actively promoting the markets and looking to see if this can be sustainable for the term of the pop-up lease. We'll see how the next three events go. Again, the farmers market will be on October 25th, November 22nd, and December 20th from 10:00 AM to 2:00 PM at Seawall Lot 337 at the Mission Rock pop-up site.

- San Francisco Fleet Week – October 5-12, 2015

As everybody knows, we had a tremendous Fleet Week. It began a week ago and ended yesterday. This year marked the 33rd Annual Fleet Week. It was begun in 1981 by Mayor Dianne Feinstein to celebrate America's sea services. We've only missed one year and that was due to sequestration. Fleet Week takes place each October during Italian Heritage Week. It is the largest and most significant event of its kind in the nation. It features unique training and education programs that bring together civilian and military forces to develop and share best practices in humanitarian assistance and emergency and disaster response. It now is uniquely recognized by the United States Department of Defense as a model for Fleet Weeks across the country. Kudos to the San Francisco Fleet Week Committee for their hard work in general, Michael Myatt in particular, in bringing that standard up. It is held to honor men and women of the United States Armed Forces and to advance humanitarian assistance and disaster response.

This year's Fleet Week began on October 5th and concluded on October 12th. We saw six vessels, the USS Somerset which is an amphibious transport dock was at Pier 30-32, the US Stockdale which is a destroyer, the USS Cape St. George which is a guided missile cruiser, the USS Coronado which is a lateral combat ship, and the Coast Guard Cutter Boutwell all went to Pier 80. And then there was a Canadian Navy ship the Calgary at Piers 15-17. In all 29,000 people boarded and toured the ships which is absolutely a record from Thursday through Monday. Kudos to everyone for their great work in that.

There were also many events during Fleet Week. The first was the kickoff on the 5th of October, which was an exercise at Pier 50. It was a drill developed by the City's Department of Emergency Management to work on the ability to bring in resources to respond in the event of a catastrophic Bay Area earthquake. The scenario included delivery of response vehicles to Pier 50 aboard the MARAD vessel Cape Hudson and above a U.S. Navy landing craft and that went very well. You may have seen some press coverage of that.

The next was the annual Senior Leadership Seminar which was hosted at the Marine's Memorial. This year's seminar focused on topics specific to international humanitarian assistance with focus on the Nepalese earthquake -- which was quite interesting and dramatic to say the least, as well as public health and disaster response, regional planning and exercises, technology, communications and energy restoration. Key note speakers included General Kishor Rana, who's the Director General of Medical Services for the Nepal Army and Dr. Ernest Moniz, the U.S. Secretary of Energy who was fantastic.

There was the annual Parade of Ships through the Golden Gate Bridge followed by the Fleet Week air show with the Blue Angels as headliners. This year was the inaugural Pier 80 Fleet Fest which in addition to housing four vessels for tours, also had concerts, food trucks and a beer garden and saw well over 10,000 visitors to Pier 80 alone.

It was pretty impressive altogether and I want to give my special thanks to Demetri Amaro, Rip Malloy, John Davey, Sidonie Sansom, Michael Nerney, Denise Turner, Joe Reilly, Aaron Golbus and a whole host of others including our Real Estate and Maintenance staff who kept the waterfront operable and clean. As you can imagine that was a lot of people here for the week and it was really terrific. My kudos to all.

We had great partnership from the Mayor's Office, from the Department of Emergency Management, from the San Francisco Municipal Transportation Authority, all kinds of agencies. It was very gratifying and a lot of fun.

- Architectural Resources Group 35th Anniversary – October 22, 2015

I'd like to congratulate Architectural Resources Group on their 35th Anniversary on October 22, 2015. Architectural Resources Group (ARG) was founded in 1980. They are an architectural firm that specializes in historic conservation and renovation. They have a belief that historic buildings play an important role in communities, creating places that have value and meaning. They're a full service architectural firm. Their offices are in San Francisco, Pasadena and Portland, Oregon.

In San Francisco, they are a Port tenant at Pier 9 where they've been housed since 1983. They are nationally recognized experts having received over 150 awards during their history. In 2015 they were awarded the Governor's Award for their work on Coit Tower. At the Port they have done work at Pier 1 with AMB in 1998, with Hornblower at Pier 3 and Piers 31½ and 33. They helped us with the Pier 27 cruise terminal. They helped Forest City with the Pier 70 waterfront site which is underway and they've been working with us on Crane Cove Park. In 2006, the AIA California Council named ARG firm of the year. I'd like to congratulate them again on their 35th Anniversary and thank them for their tremendous partnership and great work here at the Port of San Francisco.

- Wharf Fest – October 24, 2015

On Saturday, October 24, 2015 will be the 3rd annual Wharf Fest on Fisherman's Wharf. It is a free festival. It is held on the little Embarcadero running north from Taylor Street and Powell Street in the parking lot at Jefferson and Taylor under the famous Fisherman's Wharf sign. It's hosted by the Fisherman's Wharf Community Benefit District to celebrate

San Francisco's historic waterfront district. It gives a chance for Bay Area local to visit the district after the tourist season has ended and while the weather is still good as we can attest to today. This year's festival includes a chowder cook-off competition, live entertainment stage sponsored by the Hard Rock Cafe and family fun activities and entertainment.

- John Davey – Named Harbormaster of the Year

With great pride, I announced that our very own John Davey has been named the State Harbormaster of the Year by the California Association of Harbormasters and Port Captains. The award was presented on October 7, 2015 at the Association's 67th Annual Training Conference. It's awarded to someone who, "through actions or deeds epitomizes the position of Harbormaster, through extraordinary efforts advances the objectives of the association, and who provides extraordinary, heroic service related to maritime services." John has been integral in all things maritime at the Port, but most notably the success of the Pier 27 new Cruise Ship Terminal, particularly as it relates to the fact that we have fabulous gangways that function, as well as keeping our ferry service running as well as it does particularly in light of many different demands on the service over the last couple of years, our fishing fleet humming along -- numerous other objectives. With great pride and kudos to you John for being named the State Harbormaster of the Year. I hope you enjoy it.

- Resignation of James Maloney, Maritime Marketing Manager, Cargo

Jim Maloney has been working with us at the Port for eight years, since June of 2007 as our Maritime Marketing Manager. Jim has performed a lot of work tirelessly at the Port. He has been all over the country and much of the world promoting our Pier 96 Bulk Export facility. He's been all over the Bay Area promoting our Foreign Trade Zone which you're going to hear from him this afternoon, as well as promoting our Pier 80 Breakbulk Cargo business. Jim is fabulous to work with as you already know. I think we first met Jim when he came to testify on behalf of the USS Iowa. Even at that time, Jim was very poised and articulate and dedicated and passionate. He brought all of those things into his job as the Maritime Marketing Manager.

He is beloved within the industry and among Port colleagues throughout the state. It is with heavy heart that we are all wishing him well as he adventures around the world and off into whatever's next for him. We are very indebted for all the incredible legacy of work that you've brought to us at the Port and want to say a deep, deep thank you to you. Bon voyage, but not goodbye. Please join me in thanking Jim Maloney for his service.

Commissioner Katz - I've probably known Jim longer than anyone else in this room. Many of you may not realize it but we were actually freshman together in college. I remember Jim as one of the nicer guys that was on campus. We both transferred immediately after that so we didn't see each other for a number of years and reconnected many years later in San Francisco.

When I came to the Port Commission, I was really thrilled to see that Jim was here and have had the pleasure of working with him in his role here. I've talked to countless people, a variety of different projects from the Foreign Trade Zone, to the Breakbulk Cargo terminal, to efforts to bring in additional trade, and I can't count the number of times Jim's name has come up with people that were interested in the Port talking about those issues. They were all like, "What a fabulous person. What a terrific embodiment of all that the Port stands for and what a great representative for the Port." I know you won't be too far away, and I know we'll continue to be friends. I can say this now, I've actually married Jim twice, performed the ceremony for him twice.

I'll definitely continue to see you but I will certainly miss you representing the Port, hearing the great feedback from your colleagues from people externally and being able to work with you here at the Port. We want to thank you for your incredible time and service here and it is certainly with sadness that we see you go, but we know you'll continue to do great things.

Commissioner Brandon - We're definitely going to miss you Jim. It's been such a pleasure working with you, your passion, your commitment, your knowledge about the cargo industry and the passion that you've showed over the last eight years trying to bring in more business. It's been a real pleasure and honor working with you. I'm very jealous of your travels coming up but I'm sure you're very deserving.

Commissioner Adams - When I'd heard that Jim was leaving, I was really sad. I've gotten to know Jim. I consider Jim a friend. Jim's a guy that comes from the industry and I consider him my alter ego. Jim did a lot of work with the Propeller Club. You know what he did with the Foreign Trade Zone, Bulk Cargo. Jim was my travel partner to China together with Peter. Jim was always meticulous, very detailed.

I was always hoping that he would step up to the next level. Now he's doing that in his life, he's moving forward. Jim is a class act. I know once before Jim was going to leave and he stayed and I appreciate that. I knew I didn't call you because I knew once you had made up your mind, you and Andrew, you were shoving off. I wish you the best.

We still have a lot of work to do. I feel like you and I are like Wyatt Earp and Doc Holliday, I kind of thought we'd be in on the finish together at the

OK Corral but we'll continue. I'll call you and I hope that we can continue our friendship.

In your honor, clearly we have a desire to bring more maritime to Pier 80 and 96 and just because you're leaving, don't think that your dream will fall by the wayside. I will continue to work with Peter and whoever comes behind, we will try to get there. Hopefully you'll come back down one day and you can see that. You laid out the groundwork for us and the blueprint that we continue to persist and to move forward and to do the heavy lifting but you were the inspiration for us and for me too. We will continue. I hope one day when you come back you'll say, "You guys finally got the last leg."

Good luck to you and Andrew on your journey. I know you're going to do something that you want to do in life. Clearly, I get where you're coming from. Life's short. You only live once, so do what you've got to do man. I wish you and Andrew the best.

Commissioner Katz - Thank you. On behalf of the Port Commission, we want to thank you for all that you've done for the Port and for all the hard work. On behalf of Port staff, everyone has really enjoyed working with you. You will be missed, we know you'll be back, at least hopefully visiting us and probably working on projects that come before us, if we're lucky. Thank you for the time and the dedication that you've put in to improving things here at the Port of San Francisco. Best of luck to you.

Peter Dailey, Maritime Director - I echo the sentiments that you mentioned about Jim. It's a professional loss for the Port and for the City. It's a personal loss and as Willie mentioned, to us, our travelling buddy. I just want to remind everybody that tomorrow at 5 o'clock, we are having a reception at Pier 1, if anybody would like to come, with staff and our industry colleagues to send Jim off in a maritime manner. We're looking forward to it. Jim, I appreciate everything you've done. I appreciate your friendship, your integrity and safe travels for you and Andrew and have a great time. Go Packers!

Ellen Johnck, Co-Chair of the Maritime Commerce Advisory Committee - When I heard the news I said, "Oh my word, we are really losing a very powerful and very important person on the staff here for the Port." He was the first one that took me by the arm and said, "Ellen, I want you to lead the Maritime Committee." With Peter and Mike and we've done that. I want you to know that your dream, as Willie said, will continue to be alive. Pier 80, Pier 96, we will continue to support that and do what we can for maritime mission here at the Port. Thank you Jim, for everything. We'll keep rooting for you.

Brad Benson - I want to say what an extreme pleasure it's been to work with you these past eight years. I remember when Peter came to let

people know that he was hiring you, he was so enthusiastic about bringing you on board and he was right. These past eight years you've shown incredible ethics in the way that you approach your work, great optimism. You're one of the few people that when you're frustrated, you're still incredibly kind and patient and work through it and so you're an exemplary employee. We do hope that you'll stay in touch after you get back from this amazing trip and I just want to thank you for the time.

Diane Oshima, Port's Planning and Development Division - I wanted to layer on my thanks to you Jim. You are the consummate professional and just so passionate and so kind and so knowledgeable. We really have been advanced by everything that you've done at the Port and we're just really going to miss you so much. I know that your job is very difficult to try and move heavy industrial shipping along this Port when there's so many competing demands and there's so much change going on the waterfront. But what you've been able to forge in terms of a public understanding about the Port's maritime mission is priceless. It's fundamental for the Port. It's your legacy. I hope that you'll always come back every Fleet Week if nothing else to really enjoy what you've done for us all these years. Thank you.

David Beaupre, Planning and Development - I just wanted to echo to Jim as well that I've enjoyed working with him for the last eight years. One of the things that Jim has helped us is outreach to our Southern Waterfront Advisory Committee where Jim came to a number of meetings providing updates to the community on his efforts to bring in cargo. In addition to that, it's just been a real pleasure to work with Jim and we'll miss you.

Jim Maloney - I'm overwhelmed and so thankful for the comments and for the tribute today. I'm humbled and I feel very touched and moved. Thank you all very much for the comments and the support over the years. It's been a wonderful opportunity to work here for the Port and do some meaningful work and impactful work and I feel like I can leave here feeling that I've hopefully left a legacy that can be picked up by another capable person.

I'm so grateful to have had this opportunity to work here. I've been so honored to work with Monique Moyer. She has so ably steered this department, this Port for the entire time I've been here. I've just been in awe with all the changes that have gone on here at the Port and all the projects we've had going on. I'm in awe and inspired by your work and admire you greatly and I wish you continued success here.

Peter, my boss, it's been amazing working with you. You've been an incredible partner. You've always provided me support. You've been a great sounding board for all kinds of different ideas that we've been trying to throw around on how to crack this nut. You've been a great travel partner as well. In fact, we just got back from Houston, our annual

Breakbulk Americas conference with Chris Christensen as well. Thank you for coming as well Chris. But it's an honor and a privilege to represent the Port with you, Peter and others. Commissioner Adams, you've become a friend. We've travelled to Asia. I've lost track of how many times we've been to China now. I'm grateful for the support, the time you've taken out of your very busy schedule to come with us to China to attend the Breakbulk China conference, meet with customers and try to do everything you could to help us to continue to promote the work that we're trying to do here at the Port. I'm grateful. You've been a great travel partner. We've had a lot of good times. This last year, we also included the Philippines. That was a wonderful trip where we represented the Port with our newest sister Port, the Philippines Ports Authority. I'd like to continue the friendship and offer whatever support I can to you to continue the efforts.

Commissioner Katz, we, in addition to being old time friends, and you marrying me twice without getting divorced.

Commissioner Katz - I was going to say, I married you twice to the same person.

Jim Maloney- We shared a trip together to Asia. We went to Japan with Monique to represent the Port at the Sister Ports Conference in 2013. That was a good trip. We continued on and met with customers in Japan and went on to Korea, to Seoul, to meet with some folks. We had an interesting shopping story that we'll always be able to laugh about.

Commissioner Katz - Good thing we're not in the Finance Department.

Jim Maloney - I'll be continuing to see much of you as well.

Commissioner Brandon, you've been an incredible support in the Southern Waterfront in particular for me and all of us that are working the Southern Waterfront. We've appreciated your guidance, your feedback, your advice, your taking the time to meet with Port staff to hear what we're working on. I appreciate all your guidance and support and ideas, thank you.

There are a lot of good opportunities at Pier 80, Pier 96 that we're continuing to work on. The future's bright for the Port's cargo business. There's some good, fun things that the next person that takes my place can jump off on and try to explore. The Foreign Trade Zone Program has been a lot of fun to work on that as well. We've really revitalized that and as the program has changed, even just in the last few years, we've been able to change with it and bring it to a lot more business here in the Bay Area.

Thank you again for all your support. I'm humbled. I'm very appreciative of you honoring me today, and the whole staff. It has been a real pleasure working with all the Port staff here. I tell people constantly, "This is the smartest and most capable group of people I've ever worked with." I've worked in the public sector, the private sector, non-profit and this is a high-powered group of people.

I call most all of you friends. It's been a great privilege working with you. Rather than saying, "Goodbye," I just want to say, "So long," and let you know I'll be here to visit from time to time. I hope you call on me if you need to figure out where all the bodies are buried or where all the documents are buried or whatever the case may be. With that, thank you very, very much. I appreciate it.

Commissioner Katz - Thank you. Of course you'll be back up here to present lest we want to let you get out of here too easily.

Monique Moyer - Commissioners, I neglected to thank Anita Yao for Fleet Week. I want to just add her to the list. Thank you Jim. More to follow tomorrow night.

B. Presentation by the Mayor's Office of HOPE (Housing Opportunity, Partnerships & Engagement) on the City's homelessness issues.

Monique Moyer – Commissioners, this is an item that was requested during New Business by Commissioner Adams. Bevan Dufty who was the Director of the Mayor's Office on Housing Opportunity, Partnership & Engagement (HOPE) made a presentation before. Yesterday, Sam Dodge was appointed as the Mayor's Interim Director of the Office of HOPE. The Office of HOPE champions the City's efforts to combat homelessness, has a number of initiatives underway including the Mayor's Streets to Homes initiative and the Homes for Heroes which is to address veteran's issues.

Sam worked previously at the Tenderloin Housing Clinic for more than six years and was also a Labor organizer for the SCIU and the California Nurses' Association. He has a Bachelor's degree from Evergreen State College in Olympia, Washington and a Master's degree in Public Administration from Columbia University in New York City. He's just a generally good, smart guy. With great enthusiasm, he's here to give us an update on the efforts of HOPE.

Sam Dodge - Thank you Commissioners and I appreciate this opportunity. I'm going to start with a short video and then we'll get into it. That's just a little brief update and I passed out some of our weekly stat dashboard. One of the great things about this, I've been working closely with the Controller's Office to have them embed with the projects so we aren't getting a report two years later saying, "You know, you should've done this or that."

As is stated in the video, this was funded with a \$3 million gift to the City. It's nice to be able to design and implement a project where you're kind of freed from a little bit some of the normal constraints that we have through budget process and others. Because it was a success initially and we saw it filling an important gap in our services in the City, the Mayor has backed it up with further investments. Now we're definitely looking for more locations to open similar programs.

If you get a chance to look at our weekly dashboard, you can see that people are there. We go from 60-75 people at any one time. We try to work down and invite in a whole group of guests to come in and take advantage of the services. Today we invited five people in from District 3 and District 2, right close to the waterfront area here. Previously we had gone and invited in nine guests from the Justin Herman Plaza area and a couple from up around the Powell Street cable car turnaround.

If you look at the map, you can see some of that earlier activity collected here. You can see where we've been grabbing, or inviting people in. A lot of it is clustered around the Mission District where the Navigation Center is and that's just natural. There's a lot of need in the Mission District. There are some tremendous encampments there and we've been able to work well with them to resolve their homelessness. But if there was an opportunity to open up something here on the Port land, it would definitely look clustered up like that around the Embarcadero. That's an invitation I want to make for the Port because we can do some amazing things if we can find a good facility to house it at.

Depending on the path of the client, there's different average lengths of stay overall. It's about 50 days right now. People come in for various reasons and you can see the track, the work in and out for each week. We've been really proud of it. Tomorrow morning the HUD secretary is going to come visit it. He's been very curious. I presented at the National Alliance to End Homelessness, an industry conference in D.C. about this project and it spurred a lot of interest in other cities.

It comes a little bit of a shock to San Franciscans, but chronic homelessness is a national epidemic especially in our California climates, it's really bad. L.A. has had a 12% increase this year, an 87% increase in homeless encampments. The L.A. County is dealing with a homeless population at one point in time was 44,000. They did a survey and they found that using all their administrative data that 10,000 people a month are falling into homelessness.

This is a chronic, systemic problem all over the United States, especially in high ranked communities. In San Francisco, it's nice to be able to show that we have some approaches that we're not just going to surrender to it but we're going to lead with a helping hand and we're going to reorganize our

resources to make sure that we can resolve people's homelessness on the street.

I've been very excited about the Navigation Center and I like to talk about it but this is not even the limit of what we're doing in the Mayor's Office around homelessness. We've had a tremendous effort with federal resources to reduce homelessness among the veteran population. We have a goal that at the end of this year, we're going to have the resources in place to end chronic veteran homelessness which means veterans that have been homeless a year or more.

We've been able to house hundreds of veterans. We're down to our last 160 veterans that are eligible for federal support. We have vouchers in their hands. We have worked with Leader Pelosi to raise the reimbursement of those vouchers to be able to access units on the private market. We've opened a building on 250 Kearny, not far from here, 130 units with private baths. Veterans have all moved in there and we're very proud of that.

We have more to go and we think we're going to be able to get there. Family homelessness experienced a little different in our city. We have a long wait list for families to get even into shelters. We've worked closely with our service providers and with a great strategic grant from the Google Foundation, we were able to target homeless families or families at risk of homelessness in schools. Together with other initiatives, we've been able to cut that wait list in half and the amount of families that are seeking emergency services through housing people and assisting them in that housing.

We've opened up a number of buildings with transitional age youth and we're excited about that. But the chronic street homelessness is still a pressing issue. It's something that we see every day. I've received calls from your staff at the Port and I've responded with Homeless Outreach Team to get a real sense of what's going on here and I've also been spending some morning, walk around the Justin Herman Plaza and Sue Bierman Plaza and around this Port area over the last month and a half. Just to get a real sense of, "How are people experiencing homelessness down here?" I know that we have work to do.

I think over the next few months, we're going to be spending more time with the Homeless Outreach Team and try to bring people into the Navigation Center here. This is going to be as close to a sure thing as we can get for an El Niño winter. In 1997, when there was an El Niño, San Francisco ended up opening a monster shelter which, I don't think anyone was very proud of. They were just happy to have people in a shelter versus on the street, but it never really worked out that well at Mission Rock.

If we are strategic about what we can do, leading into this El Niño year, we can avoid that. If not, we're likely going to be coming to you looking to open a

big emergency shelter. I hope that we can think proactively and strategically and partner in ways that help reduce street homelessness and get people into the safe, secure housing.

Commissioner Brandon - Thank you very much for that presentation. It's exciting to have the Navigation Center and actually seeing people that are using it and getting help and that's absolutely wonderful. I know that the City has had long time issues with homelessness and it does seem to be getting worse, so it's great to have a resource like that. If you were to look to the Port, where would you look to open a shelter?

Sam Dodge - I would have to rely on your expertise. The great thing is that the Navigation Center was a pop-up. We're going to build affordable family apartments there. There's a runway, until June at least, but at some point we're going to break ground and do that. It was an abandoned school site. It was easily converted with a little bit of capital work. We worked on the laundry facility, on the shower, ramping up things so they're accessible. We need to free our minds of what a traditional shelter has been. A lot of it has to do with how we're treating each other and what we're doing with people once we've invited them in.

The great thing about the Navigation Center is that we invite people in because we're committing to housing them. Once that is established, you start to take away some of these other rules. There is no security guard. There is no curfew. There is no strict mealtime. People don't lose their beds if they aren't in a certain place in a certain time. The only real obligation they have is to treat this place with respect and to make their appointments and work toward housing.

The result has been it's incredibly relaxed there. It takes a lot of anxiety level down. It's not just kind of hits thing where you're churning people through every night, but you're able to work with people towards their housing. I could see very easily many of the different Port areas working as a place for a Navigation Center. We have these bungalows at the current site. They could move. I've seen the big sheds that we could work inside of. There are many spaces that can be done. Any place where you can park a car, we can make it work.

Commissioner Adams - Thanks for coming out and congratulations. It's kind of like hell has come to the waterfront here. You just said something that I picked up on. Nobody wants something like this in their neighborhood. I get you. When Delancey Street started, there were people in this room that will remember, they were up in Pacific Heights. The people in Pacific Heights didn't want them there. They go, "We can't have those kinds of people. ex-convicts, in our neighborhood." Ellen and other people would remember that.

People like Jimmy Herman, Leroy King, Nancy Pelosi, Art Agnos, John Burton and Mimi and Willie Brown said, "Okay, we'll bring them down here to the waterfront." They built Delancey Street and you look at its success. It's

always, "Yeah, it's a good thing to do but we don't want them in our neighborhood. Take it somewhere else." And they had the political courage to do what was right.

We had a shooting down here on the waterfront and it's so sad. I was down here that day having a meeting with Director Moyer and Kim Brandon and some of the staff. Meghan was there that day. It was sad. It touches my heart because I run on the waterfront every day.

A lot of times, we don't talk about all the people with the mental problems. There are a lot of people with mental problems. People fail to realize, and I'll say it again, when Ronald Reagan was the Governor, he shut down all the mental institutions in California so a lot of people on the street have mental problems.

The San Francisco Police Department, they're trying to do the best that they can and they do a great job but it's an epidemic. The Mayor just can't do it alone and people have to step up. I'm sure these people that are running for President, whether they're Democrats or Republicans, they haven't addressed this issue of homelessness. Matter of fact, most of them probably can't even relate to it because most of them are rich and they don't live down in the neighborhood or they're not affected by homelessness. I don't think those politicians of either party probably get their head around it that's running for President.

This is something that affects everybody. People that are just ordinary, common people like myself, people that have money, we can't turn our backs on this issue. We have 30 million tourists a year coming to our city and sometimes we seem like we don't have the compassion for our fellow. There's a lot of money floating around here. People need help. Sometimes people have to take one to the team and say, "I don't care if I have something like this in my neighborhood" but they're not willing to really deal with this issue.

It's so political. It's sad. Why would something like this be so political about helping somebody? I don't get it. This is about right or wrong. You shouldn't even have to question yourself, "Should we do something or not?" This is something that people will debate. I don't understand it.

I appreciate Director Moyer contacting you guys because I wanted to know more about this and I don't think a lot of people saw that it was right here on our doorstep. I know people leave here and they get in their cars and they go home to their safety but it's right here. I see it every day. I walk, I step over people when I'm running down here in the morning. I get it. I feel it. It's a part of the fiber of this community and we all have to pitch in along with the Mayor and every citizen, businesses and everybody. We've got to get some solutions. We ought to be taking the lead nationally. San Francisco ought to be on the forefront and say, "You know what? We're not going to just say 'Go

into the corner and hide or we're going to hide you when the Super Bowl or some other big event come."

We're going to deal with it. We're going to take the lead because we're a city that's got the sense, we've got the resources. We've got the political courage to deal with this issue. Homelessness is not a good issue but we have to deal with it.

Commissioner Katz - Thank you for coming and congratulations. I'll look forward to working with you in your new role. It's very exciting. Sort of, where to start? I'm sure that's probably what a lot of people feel when they look at the homeless situation. As you pointed out, it's not just one category that people fall into. One of the reasons we also wanted to have you back is it is an opportunity, certainly using this platform as a way to educate people that things are being done and that it isn't a simple solution.

One of the things that I was struck by when Bevan came to us last time, when he gave the numbers of homeless in the city and that it's remained a stagnant number which I've shared that statistic with people. It means that we are doing something to move people out of homelessness. In this incredibly expensive city, there's so many working homeless. I don't think people realize.

They see the very visible folks on the streets that are there with various impairments, be it mental illness, drug addiction. There are so many other homeless that they don't see families living in their cars, people that are working and can't get housing in the city. It's important to take the opportunity to remind people that there are different gradations and that given the influx of homeless and the numbers that are increasing, the fact that it's stayed low means that we are getting people housed.

I wanted to reiterate, and I'm sure you can put it more articulately than I, but did want to take that opportunity to highlight again that all the work that you all have been doing and the programs clearly are making a difference in that people are getting housed so that we aren't seeing those numbers skyrocket. Because we hear about people being sent here and various other things.

I remember when we set up the center in 1997 we actually did have a lot of lessons learned in the Navigation Center. As you pointed out, people show up with their pets and they're accommodated. That was something we were struck by in 1997 where we had coordination with Animal Care and Control to allow people to come in during that terrible storm and have a safe place to keep their pets because this is about humanity, people have that connection to their animals. Many people wouldn't come off the streets or access services because they didn't want to lose their animal companions.

We met them on those terms and got a slew of new people into the system and able to then access services and help because we met them on their

terms. Hopefully we won't have a storm like that although we need the water, but from the impact of those living on the streets that storm was really scary for all of us trying to think how we were going to make sure that we save lives.

If you're looking to the Port as backup, if we don't have all the solutions, we should start those discussions sooner rather than later so that we are prepared for that and we can act when the time comes. Because there will be a lot of steps that we'll need to go through if this is something that we end up doing. I encourage you and your staff to start discussions with Port staff now to see if it's feasible and then if that's the case, what we would need to do or if there'd be smaller satellite facilities or how that would or wouldn't work.

I'm curious as we had just finished Fleet Week, percentage-wise, how many of our homeless are veterans? I'm sure you've probably got those numbers. It would be interesting to see if we have immigrants that are living on the street, veterans, others so we see if there are other programs we can also target to help in that way.

I was also struck by with Fleet Week and speaking with some of the leaders in the military that were involved in disaster preparedness. I also was having lunch recently with a retired general who coordinated the fleet during the 1989 earthquake. He said that they brought up a ship and the military, the Navy actually helped run a program to get people housed during that time.

I don't know if that's something that has been in discussion but they have beds and have berths. They have people that run the mess hall. He said he even got compliments on the food. That may be something that's also worth exploring as we're facing a potential disaster if we have the kind of storm that everyone's predicting.

We'll probably continue to have you come back and do periodic reports much as we do with Planning and thank Commissioner Adams for starting this process. It is important to let the public know what's happening, especially as people see a lot of homeless along the waterfront here where we do have open space. We do have facilities.

People want to help and often don't know how. I've done various things from calling the 311 if I see someone who's a danger to themselves as much as others. But for the public to know who they should contact in the different situations and taking advantage of our opportunity here to get that information out. If there are people along the Port if there's a different number or entity that should be called or what people can do.

Sam Dodge - Thank you for your comments. I absolutely agree that, as Commissioner Adams made clear, this is a moral issue and it's something that we can change and we have the tools to change. This past January we

did a Point-in-Time Count, something that's required by the federal government. We found that we have a population of, at any one point, of about 6,800 homeless people and about 3,500 are living on our streets and that's tremendous. Our veteran population, although it's dropped dramatically as we've been working on it, it's still around 500. There's still a lot of work to be done there.

Recently last week, we did some media attention to the fact that the City 311 app can now be used for homeless assistance. You can always call 311 and get our Homeless Outreach Team and get other kinds of assistance they can help to direct. Now you can use the app and it geolocates and it helps. The police are the first responders and they come and they help to decide in their role to serve. They help to either bring in the Homeless Outreach Team or decide to bring an ambulance.

Sometimes people have a little bit of difficulty on where to run with that. 911 is not a wrong number. If you're worried about someone being a danger to themselves or others or they do not seem to be in their good state. If they are extremely agitated or don't seem to be, or responding to internal stimulus or kind of in traffic or other things, it is the right number to call a lot of times and it's okay to do that.

Sometimes people want to shy away from that and you can use the app or you can call 311. What I do, I call the Homeless Outreach Team. They have a dispatch number. It's 415-734-4233. They come out and they assess and they help direct people to what they can do.

They often, as was the case when I came out here with them to work with a woman that's living in the vicinity here and they knew her very well. They've known her from the psych emergency and they've known her from other kinds of things where she had participated. It was nice to see them interact with her and that they had this background information so I really encourage that.

The number to call is 415-734-4233. Also today we had the honor of doing a ribbon cutting at the Baldwin House hotel. It's a fully renovated residential hotel on Sixth Street. It's 187 units. We're moving people in, targeting our chronically homeless population, the longest homeless first. It's really exciting. This is a part of an effort of the Mayor to add 500 units of supportive housing to our portfolio of 4,000 units. Ultimately that's where we need to go. There are almost 200 units today and we'll have 300 more by the end of the year. I look forward to working with you and to returning again and thank you for inviting me.

C. Port Commissioners' Report:

Commissioner Brandon - I had the honor of attending the Friends of the Status of Women luncheon last week and our very own Monique Moyer was

honored for her mentorship and leadership in mentoring women.
Congratulations! It was a wonderful luncheon and I really enjoyed it.

Commissioner Katz - It was very exciting to see her up there and speaking out on behalf of the women and the leadership at the Port. I also want to congratulate Director Moyer from the luncheon and her award. It's a well-deserved honor. I also wanted to thank everyone who participated in the recent Fleet Week. It was far and away the most successful Fleet Week ever. The public participation from locals was significantly increased and improved and that was nice to see.

There were a lot of activities for residents of San Francisco. Families, etc. The fabulous weather didn't hurt either. I also want to thank the Fleet Week Committee. It's an all volunteer group that puts this on and what a labor of love. I don't want to start naming names because I know I'd miss some but the volunteers at Fleet Week were extraordinary.

One of the things that's impressive is the focus on disaster preparedness. It's not all just about a show and tours, but having something significant and substantive to present as part of the program. Bringing together the talent and leadership that came forward for the Senior Leadership Team's meetings and other disaster preparedness programming was really special.

John, congratulations as well. I know I'm forgetting something, but just it's been an exciting time here at the Port. It was great to see all the cruise ships that have been coming in and out recently. Thank you everyone for all the coordination that's gone into that.

10. CONSENT

- A. Request approval for Port Executive Director to represent the Port of San Francisco as a Voting Delegate at the American Association of Port Authorities Annual Convention in Miami, Florida. (Resolution No. 15-35)
- B. Request approval of Revised Rules and Regulations, Harbor Berthing License Agreements, Fee Schedule and other Administrative Documents for South Beach Harbor. (Resolution No. 15-37)
- C. Request approval of: i) of the Crane Cove Park project; ii) to include \$8,695,000 in the fourth sale of 2008 Clean and Safe Neighborhood Parks General Obligation Bonds for the Crane Cove Park project; and iii) of adoption of California Environmental Quality Act Findings and a Mitigation Monitoring and Reporting Program in connection with the construction of Crane Cove Park project (located within the Pier 70 area and portions of Sea Wall Lot 345, east of Illinois Street between 19th and Mariposa Streets). (This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code.) (Resolution No. 15-38)

Corinne Woods, member of the Central Waterfront Advisory Group, long-time advocate for Crane Cove Park - I just wanted to thank you for moving forward with this. It's been a long time coming. I have two requests. One is that you don't forget the work that Paul Nixon who died last summer gave to the human powered access to the Bay which was such a part of the integral planning for the Crane Cove Park and to request that you consider naming the Aquatic Center at Crane Cove Park, the "Paul Nixon Aquatic Center."

The second request I have is that you encourage the staff to go out and look for grant funding to help with phase two of the Crane Cove Park project. It's a tremendously expensive project and the staff has done a tremendous job figuring out how to shovel the project into the budget. But if there's any way to get some outside public/private help to move this faster, it would be great.

ACTION: Commissioner Brandon moved approval; Commissioner Adams seconded the motion. All of the Commissioners were in favor. Resolution Nos. 15-35, 15-37 and 15-38 were adopted.

11. FINANCE AND ADMINISTRATION

A. Informational presentation on the Port's Report on Contracting Activity for Fiscal Year 2014-15 (July 1, 2014 through June 30, 2015).

Boris Delepine, Finance and Administration Division - The matter before you is an informational overview of the Port's contract activity in Fiscal Year 2014-15. This is the period covering July 1, 2014 to June 30, 2015. There are a number of ordinances that govern contracting in the City and County of San Francisco. Today I'll focus on three: the Local Business Enterprise Ordinance, the Local Hire Ordinance, and some recent changes made to Chapter Six, the Construction Contracting Ordinance.

As you know the Local Business Enterprise or LBE Program is designed to level the playing field for small local businesses bidding on City contracts. Certified LBEs gain competitive advantages such as bid discounts and LBE subcontracting goals when bidding on City contracts against non-local firms. The Contract Monitoring Division certifies firms as small local businesses and classifies them as either Minority Business Enterprises, Women Business Enterprises or Other Business Enterprises.

There are approximately 1,300 certified LBE firms in the city. That's a 3% drop from a year ago. Minority-owned firms are further classified by ethnicity. The representation of minority-owned firms remains the same as a year ago with 46% Asian American, 25% African American and 22% Latino-owned businesses.

During Fiscal Year 2014-15, we awarded 14 new contracts totaling over \$9.6 million. The only eight contracts were governed by the LBE Ordinance. Nine or 64% of the new contracts were awarded to LBE firms. This translates to

\$6.6 million or 69% of dollars newly awarded going to local certified firms. LBEs did particularly well when competing on construction contracts. The size and scope of the projects awarded during the reporting period were well-suited for LBEs and 80% of the construction dollars went to LBE firms.

Though six of our new contracts were exempt from the LBE Ordinance due to their small contract size or waivers granted by the Contract Monitoring Division, 51% of exempt dollars also went to local businesses.

Over \$12 million was paid out to Port contractors during the Fiscal Year, 47% of those dollars went to LBE firms. On average, we're exceeding the CMD set subcontracting goals for each of the different contract types. The average subcontracting goal is 14% while 18% of payments went to LBE subcontractors.

It is important to note that each of the categories identified are made up of individual contracts with their own individual subcontracting goals. The details on each of the currently open contracts and their LBE performances are included in your staff reports and the corresponding attachments.

Overall, the latest numbers are continuing the trend we established in the first half of the Fiscal Year and they exceed the Port Commission's informal policy of 20% LBE participation. By comparison, in Fiscal Year 2014-15, both our LBE award and payment percentages were higher than the previous Fiscal Year. Last year 31% of our contracts went to LBEs, while this year that number was 69%.

Our expenditures in 2013-14 were much greater than the last year, in large part due to payments made on the Cruise Ship Terminal project. Approximately \$60 million of the \$67 million identified in the expenditures table was related to the Cruise Ship Terminal project. However, the percentage of the LBE, payments to LBE firms was 14% higher this year than in the previous year.

Two contracts were firmly closed during the reporting period. Both were micro-LBE set-aside contracts and both exceeded the ordinance requirements. The Blue Greenway signage project is 100% complete and exceeded its CMD set goal by 11%. Three additional projects are very near completion, 90% complete, and all are meeting their LBE goals.

Construction projects over \$1 million are subject to the City's Local Hire Ordinance. Since the inception of the Local Hire Ordinance in 2011, 14 projects have been subject to the ordinance. All 14 projects have met the City's Local Hire requirements. There are currently three open projects subject to the ordinance. The Local Hire threshold is 30%. It started at 20% back in 2011 and is now up to 30%. All three of our contracts are exceeding the requirements. One of the contractors, Cal State Constructors, has been

granted a conditional waiver for providing off-site credits at another City project to meet the LBE, the Local Hire goal.

Two of the City's principal contracting ordinance, Chapter 14V, the LBE Ordinance and Chapter 6, the Construction Contracting Ordinance were amended during the reporting period. The new LBE Ordinance took effect on July 1, 2015. Some of the legislation's highlights include an aspirational City-wide LBE goal of 40%. The Port has exceeded that goal in the last two reporting periods. We feel that we'll be able to continue to do that as long as the number of certified firms continues to stay the same or increase.

Additionally, the new ordinance includes a San Francisco First Program. That's a program that mandates that we solicit bids from local firms prior to non-local firms for small informal contracts. Additionally, development agreements adopted by the Board of Supervisors are now required to include LBE Utilization Plans. These are plans similar to the plans that we have with Metro Cruise Services at Pier 27 and TMG Partners at Pier 38. I'll be including updates to those plans in future reports.

In August, City Administrator Naomi Kelly formally kicked off the City's new Mentor-Protégée Program at Pier 1. To date there are 14 mentors and 30 protégées registered in the program. Each mentor is matched with one or two protégées. They develop a work plan. There's a steering committee that's been put together. As mentors meet certain provisions or certain division and milestones within the work plans, they are afforded waivers of certain provisions of the LBE Ordinances. We have two Port staff members that are currently serving on this steering committee.

Also in August, the Board of Supervisors passed legislation to reform the Construction Contracting Ordinance or Chapter 6. The majority of the Chapter 6 revisions applied to large departments that have construction portfolios over \$1 billion such as the PUC or MTA. However, there are some changes that will impact us here at the Port. One significant change is the increase in threshold amount from \$400,000 to \$600,000. So that will allow us to issue smaller contracts or micro-settle side contracts a bit faster.

In conclusion, it was a strong year for LBE performance at the Port. 69% of dollars awarded went to LBEs, and 47% of payments went to local firms. We're meeting our Local Hire requirements and we will work collaboratively with colleagues at other City departments to implement the new legislative changes that were passed by the Board of Supervisors.

Commissioner Brandon - Thank you so much for this wonderful report and it's so exciting to see we're doing such a wonderful job with our LBE contracting because it's so important. Regarding the new ordinance, the San Francisco First Program, "Small, informal contracts," would that be anything below \$600,000?

Boris Delepine - That would be construction contracts below \$600,000 and professional service contracts below \$110,000.

Commissioner Brandon - Great. What is the new Mentor-Protégée Program?

Boris Delepine - Mentors, large firms that have been doing business with the City, have agreed to sign on as mentors to small local firms, only micro-LBE firms, the smallest of the LBE firms, can sign up to be protégées. They establish a work plan together. Whether it be construction related or for professional services, the steering committee reviews the work plans and they have certain milestones.

For instance, they'll take classes on billing or the mentor will show the protégée how to submit invoices to the City, those types of things. Once those milestones are met, the mentor is given advantages on future contract bids with the City. Some of those advantages are waiver of the City's Good Faith Outreach requirements for instance.

Commissioner Brandon - So it's basically like a training program but it's unpaid?

Boris Delepine - Yes, a training program and it is unpaid.

Commissioner Brandon - That's wonderful. I see that the CMD breaks out their classifications by LBE type and ethnicity. Do we do that?

Boris Delepine - These are the designations that we use.

Commissioner Brandon - As far as our contracts, do we know how many are Latin Americans, African Americans, or Asian Americans?

Boris Delepine - We don't give preferences, but that is all tracked.

Commissioner Brandon - Can we report it like CMD reports it?

Boris Delepine - Yes, absolutely we can.

Commissioner Brandon - LBE by type and by MBE firms.

Boris Delepine - Actually, it's included in the attachments. We've identified each of them.

Commissioner Brandon - Is this for us or is this for the City?

Boris Delepine - This is for the City.

Commissioner Brandon - I'm wondering if we can do it for our contracts.

Boris Delepine - Yes. Absolutely.

Monique Moyer - You're saying you did it already, though. Right?

Boris Delepine - It is in the attachments. I've identified each of the prime contractors as either LBE, MBE, OBE or WBE in the actual staff report not in the presentation.

Monique Moyer - But it wouldn't say the ethnicity.

Boris Delepine - No.

Monique Moyer - I think that's what Commissioner Brandon's requesting for further.

Boris Delepine - We can include that, yes.

Monique Moyer - Is that correct Commissioner Brandon?

Commissioner Brandon - Yes, because I didn't see that in the staff report on this.

Commissioner Adams - I agree with Kim. I like this report but I'd like to see the breakdown in the staff report of the ethnicity for the Port broken down so we can track it. Because sometimes things kind of get put in numbers and it gets thrown in reports. I want to be able to see it where it's really clear, of how much is for Asian Americans, African Americans, Latino, Arab, Iranian and Native. Other than that, I'm happy with the report.

Commissioner Katz - I think we've done a remarkable job here at the Port. I just want to commend everyone. With regards to the numbers, it's a nice trend that we're seeing that efforts and focus have been made. I thank everyone for that. It's a great report.

Under the professional services, our numbers are higher than average but lower than on the construction. Is that because of the size of the firms that get hired that don't qualify?

Boris Delepine - There are many more LBE firms that are construction-oriented firms than there are professional services firms. The contracts that we awarded in the construction realm are under \$4 million where LBEs tend to do really well and that's the primary reason.

Commissioner Katz - You were saying the professional services have a smaller amount that qualifies. Is that correct?

Boris Delepine - Correct. It's \$110,000 that qualifies for a formal professional service contract. Some of the professional service contracts have a certain

expertise or don't have any LBE certified within that realm, and therefore there's no LBEs to compete for the professional services contracts.

Commissioner Katz - If it's in excess of that amount, it wouldn't constitute or qualify for the LBE?

Boris Delepine - Correct.

Commissioner Katz - Given the cost of professional services, , would that account for some of that added discrepancy?

Boris Delepine - Yes.

Commissioner Katz - Approximately, how many contracts are we looking at for next year? Is it more or less the same?

Boris Delepine - We had 12 last year, 14 this year, so I would assume it'll be in the same ballpark.

Commissioner Brandon - Usually in our reports we have a list of the businesses that we're contracting with and exactly how much they got. I don't see that in here.

Boris Delepine - On page four of the report, in the Contract Activity section, I list each of the contracts and the type of firm and the firm that was awarded the contract. In the attachments at the end, it includes the prime contractors and their payments to subs.

Commissioner Brandon - I don't think we got that. I don't think that was included. Can you just send it to us?

B. Request approval of Fiscal Year 2015-16 Executive Director Salary.
(Resolution No. 15-36)

Elaine Forbes, Deputy Director of Finance and Administration - I'm joined by Lavena Holmes, Port HR Director. As you all note, Charter Section B-3.581 grants this Commission exclusive authority to set compensation for the Port Director. It does provide some guidance to you in that the compensation shall not exceed the prevailing salaries paid to those holding similar positions in comparable maritime employment.

It is our practice every year to do a salary survey for you to help you decide on the rate of compensation for the Port Director and to make recommendations that are the same as the increases or changes to the Municipal Executive Association's (MEA) contract. Our Executive Director is not represented by MEA but many department heads are.

Miss Holmes and her group completed the salary survey for your references. Our salary survey finds that our Port Director is paid less than other Seaport Directors by an average of about \$31,000 and less than department heads on average about \$25,000. We did make a staff recommendation, we'd consider it a policy decision if you were to correct that issue. But we did make a recommendation for you to increase the Executive Director's salary 3.25%, consistent with the MEA contract agreement. That would bring the Executive Director's salary to about \$271,000 and then for next Fiscal Year, to increase it between 2.25% and 3.25%. That rate has not yet been negotiated for MEA employees, so that is staff's recommendation following the MEA guidelines.

As I've said, the Commission has exclusive authority to set the Executive Director's salary. We have done a salary survey that finds she is earning less than her counterpart peers.

Commissioner Adams - I would like to make a motion to see two increases of 3.75 in October, 2015 and the next in July 2016. The package will result in a salary of \$280,700 in July of 2016. That will bring our Executive Director up to par. But still there are other Port Directors throughout the country and even other department heads in the City above her and I think with her stellar performance, it would be fair that we bring her up. I hope I can get a second.

Commissioner Brandon – I second the motion. Just to be clear, the first increase is effective 10/10/2015 or it's retro?

Elaine Forbes - As it's written, it's effective 10/10/2015. As it's written in the resolve clauses, you can do it either way. We've set it up just like MEA employees. So the increase for MEA employees was October 10th. As it's written in the first resolve clause, it says, "Effective October 10, 2015."

With the change that you've recommended Commissioner Adams, we would strike 3.25% and add 3.75% and the salary number would change to \$271,827. And then in the next resolve clause it would say, "Effective July 1, 2016, the Port Executive Director will receive a base salary of \$282,021 representing a 3.75% increase."

Commissioner Brandon - So it's not retroactive. It starts 10/1.

Elaine Forbes - It does start 10/1. If you wanted it to start retroactively, we could do that as well. These are all guidance for you. You have exclusive authority to make that decision.

Commissioner Brandon – Do we normally do it 10/1?

Elaine Forbes - We normally recommend exactly what MEA does.

Commissioner Brandon - But when do we actually make it effective? Is it usually 10/1?

Elaine Forbes - It has changed from year to year depending on whether MEA has negotiated a July 1, or an October 10, or whenever the increase happens.

Commissioner Brandon - When was the Director's last increase?

Lavena Holmes, Port Human Resources Director - That last increase was effective 7/1/2014.

Commissioner Brandon - Then we should make it retro.

Lavena Holmes - We can make it retro to 7/1.

Commissioner Brandon - Yes.

Commissioner Adams - Motion to make it retro.

Commissioner Brandon - Second.

Elaine Forbes - So that means that the first resolve clause will read, effective July 1, 2015 instead of October 10th.

Commissioner Adams - Yes.

Elaine Forbes - Perfect.

Commissioner Katz - I think that makes all the changes in the resolution.

Commissioner Katz - Thank you Monique for all of your hard work. We hope this is somewhat symbolic of our appreciation and lets you know how much we've appreciated all the hard work and everything you've done to steer the Port through interesting, creative, difficult times and just you've done it with such aplomb. We really appreciate all that you've done and this is a small token of our appreciation, acknowledgement of how much we value your contributions.

Monique Moyer - Thank you so much. I'm a little speechless. I'll think of something, but thank you very much.

Commissioner Adams - I'll tell you what you can think of. You can make sure the Port Commissioners got a rise. Because the one's in Seattle make \$50,000 a year. They make the same thing as the State Legislators make in Washington.

Monique Moyer - There you go. I'll work on that.

Commissioner Adams - You could show us a little love. Don't forget us down below.

Monique Moyer - I'm writing that down.

ACTION: Commissioner Adams moved approval of revised resolution; Commissioner Brandon seconded the motion. All of the Commissioners were in favor. Resolution No. 15-36 was adopted.

12. ENGINEERING

A. Informational update on the Earthquake Vulnerability Study of the Northern Waterfront Seawall.

Steven Reel, Engineering Division Project Manager - I'll give a brief informational update on the Earthquake Vulnerability Study of the Northern Waterfront Seawall. This item is for information only. I'll give an overview of the Seawall history, construction and function, describe the Earthquake Vulnerability Study scope and objectives, highlight work completed to date and describe the next steps. This is a graphically heavy presentation.

If you arrived by boat in 1850 San Francisco, this is what you encountered near downtown, a shallow tidal mudflat and a chaotic scene of timber piers and wharves. The Board of Commissioners took control of the tidal lands in 1863 and commenced plans for transforming the waterfront into a Mecca of maritime commerce.

The Great Seawall as it's sometimes known was proposed by Thomas J. Arnold in 1873, legislated in 1877 and constructed over nearly 40 years beginning in 1878. It is four miles long, located several hundred feet from the 1850s shoreline and helped to create over 700 acres of new land including large portions of downtown.

Today the Seawall anchors the Northern Waterfront, silently providing support to historic bulkhead, wharves and buildings, protecting the shoreline against tides and storms and holding back the filled lands containing vital Port and City infrastructure including the Embarcadero Promenade and roadway, MUNI light rail lines and key utilities serving large areas of the city.

Every day thousands of people enter and leave the city by crossing over the Seawall to access ferries and cruise ships, or by travelling under the Seawall on BART trains. Thousands of visitors and residents walk, run, bike or skate over the top of the Seawall on their way to work, to a ballgame, to shop to dine or to experience the serene beauty of the Bay.

The Seawall was constructed by dredging a trench through the mud several feet from shoreline. The trench is approximately 100 feet wide and 20 feet

deep. It was filled with rock to create a 40 foot tall pyramid shaped dock topped with a timber bulkhead wharf and wall and the land behind was filled to create a 200 foot wide thoroughfare, the Embarcadero. Later most of the timber bulkheads were replaced with concrete walls and wharves.

This is an engineering drawing from 1909 showing section 11. This is one of the concrete walls and wharfs. This is by Pier 38, the Brannan Street Wharf. This is a photo of the construction. You can see the rock and you can see the concrete bulkhead beyond. This is the concrete bulkhead wall today. There are 22 sections of walls and over 55 combinations of bulkheads and wharves. At one time there were over 40 piers. Now approximately half remain.

The Earthquake Vulnerability Study is a high level technical study being led by a Joint Venture between engineering consultants GHD and GTC. GHD is a multi-national engineering firm with an office in San Francisco and GTC is a San Francisco Local Business Enterprise geotechnical engineering firm. The contract value is \$425,000. There's 25% LBE sub-consultant participation goal.

The scope of the contract includes Phase 1, a Comprehensive Review of existing Information, is complete. Phase 2, a Vulnerability Analysis is in progress and largely complete. Phase 3, Development of Mitigation Alternatives and Recommendations is also in progress. A separate contract is being issued for Peer Review.

Specific scope items include establishing the Zone of Influence of the Seawall, both bayward and landward, developing detailed subsurface maps and ground section profiles, generating site specific predictions of earthquake ground shaking at various return periods, analyzing the rock dike for stability and upland areas for lateral spreading and settlement associated with Seawall movement.

Structural analysis of representative bulkhead walls and wharves to predict earthquake performance, mapping of utilities within the Zone of Influence and working with utility providers to assess potential damage and impacts from lateral spreading and settlement, assessing the magnitude of post-earthquake damage and ground settlement, a high level economic impact analysis, conceptual design of potential mitigation measures and associated cost/benefit analysis, and finally, recommendations including ranking and prioritizing areas for early mitigation and/or detailed investigation. That's a full plate.

What have we found thus far? The Zone of Influence is the Zone in which the Seawall impacts the earthquake behavior of soils and supporting structures. It extends up to 1,200 feet beyond the Seawall landward towards downtown.

Subsurface mapping, the red dots are existing geotechnical borings. This project is based on existing information. There's not budget to go out and do new geotechnical borings which can run \$10-15,000 apiece. There is great existing information.

This map shows the thickness of artificial fill. This is a close up. Fill reaches 30-40 feet thick near the Ferry Building and Pier 1. The fill is unengineered, typically sandy in nature and is prone to liquefaction during moderate amounts of ground shaking. Liquefaction is a phenomenon where the soil becomes fluid-like and in this case, liquefied soils increases pressures on the Seawall.

This map shows the thickness of Young Bay Mud. Young Bay Mud is unconsolidated and saturated clay deposited 2,000-5,000 years ago. It was deposited during at least three stages of flooding and draining of the Bay Valley during and after the Wisconsin glaciation. The Bay filled three separate times. It is highly compressible, can amplify ground shaking and offers little shear resistance. It's not good for foundations.

The Young Bay Mud reaches thicknesses of up to 100 feet near the Ferry Building. This map shows Bedrock Depth and to top of bedrock, it varies greatly from 40-200 feet below the Seawall. Again, this is an area near the Ferry Building.

With subsurface mapping complete, the team chose eight representative sections to analyze. This section is near Fisherman's Wharf. I'm going to flip through these quickly, but what you can see is the variety of conditions, many of which include thick layers of Bay Mud below the Seawall. The artificial fill and the Young Bay Mud are key drivers in the analysis.

Section 1 near Pier 39 shows a potential sand layer under the rock dike. Section 3 near Pier 29. Section 7 in the vicinity of Pier 3. It shows quite a bit of thickness of Young Bay Mud. 8B near the Ferry Building. 9A, the vicinity of Howard Street. Section 12 which is the vicinity of Pier 38 and Section 46 near AT&T Park.

In addition to the geotechnical sections, the team chose four representative sections of bulkhead wall and wharf structures for detailed analysis. What's important to note is these are pile structures. Sometimes the piles are within the rock dike, sometimes they extend below it. There are various forms of concrete wall at the top. This is Pier 17 area. Pier 26-28 area and the Pier 38 area.

We live in earthquake country and we've had an unusually quiet period following the 1906 earthquake. All indications are that this could end soon. The United States Geological Survey working group on California earthquakes is predicting a 72% chance of one or more major earthquakes in the Bay Area by 2044. A major earthquake is a magnitude 6.7 or larger

with an epicenter near the Bay Area. That's a major earthquake for this 72% number.

The 1989 Loma Prieta earthquake was not a major earthquake for San Francisco. Estimated at magnitude 6.9, the epicenter was over 60 miles away and produced only moderate ground shaking here. This is the only known seismograph which recorded both Loma Prieta and the 1906 earthquake. It's from Germany. Loma Prieta's up top, 1906 is at the bottom. To give you an idea of the difference here, it would take 30 simultaneous 1989 earthquakes to equal the 1906. The 1906 epicenter was just offshore here in San Francisco.

Waterfront trends in ground shaking. The team analyzed the fault probabilities and generated the expected ground motions along the waterfront for a variety of return periods. This is called Probabilistic Seismic Hazard Analysis or PSHA. This graph shows the trends in ground acceleration versus return period. Percentage G is on the left, return period's on the bottom.

The 1906 earthquake is approximately a 200 year return period. What these trends show is that very quickly you get into very high levels of ground shaking at early return periods, less than 100 years. After about 500 years, they start to trail off. When we look at risk within the next 10 years, 20 years, 40 years, 50 years, the probability of structures on the waterfront, this type of information is great for us to consider in risk-based recommendations.

The next steps. A complete draft of the Vulnerability results is expected the end of 2015. The Peer Review is also expected the end of 2015. A final draft of the results and recommendations will be released in early 2016 and this will inform efforts to improve resiliency, Waterfront Land Use Plan Update and Climate Change Planning which is ongoing now.

What you see here is the 2014 South Napa earthquake as measured by accelerometers in the Brannan Street Wharf. When we built the Brannan Street Wharf, we included it's 10 different accelerometers, accelerometers in the deck, accelerometers in the Seawall and several accelerometers which is called down hole pile which is up to 85 feet below the deck in the tips of the piles. This is tied into the California Strong Motion Instrumentation Program.

The 2014 South Napa earthquake was measured by these accelerometers and this information is being used to help tune the engineering models and assumptions being made in the analysis of the Seawall.

Commissioner Brandon - This was good. It's a lot of information and I'm not sure what it's really saying. I know it's not actually predicting when the next earthquake is going to be but it's definitely going to give us time to prepare I look forward to the results and the recommendations from the study and understanding it further.

Commissioner Adams - Steven, this is good work. The vulnerability study is heavy. It's a lot to think and a lot to try to get your head around. The precautions one can take, you can never tell. Life's had so much uncertainty but it's almost certain it's going to happen. You got that feeling it's when and how do we respond and what kind of mechanism and how are we going to prepare for it? This is a lot of information and I hope that you'll come back again to it and just keep us more informed like you have been doing. What do we do from here to be ready and to be out front for it? We pray to God it doesn't happen but you got a feeling it's going to happen but you just don't know when.

Commissioner Katz - I know we don't have any of our tenants and other folks along the waterfront participating but hopefully we may want to at least give them the heads up that the study's coming out. I'm not sure what we're doing to inform everyone but it is something that I hope that our tenants are thinking about because it's something that everyone's going to have to think about and be prepared for.

We have a lot of significantly sized tenants along the waterfront and given everything and given the numbers presented and the probability and I don't really want to work through what it looks like we're going to be facing in the near future. But it would be helpful to let our tenants know so perhaps we can start sharing this information, give them the heads up that the study will be coming out and encourage them to stay active and involved in doing their own preparations if they haven't already.

I know that we will be getting the results of the study towards the end of this year. When we get the recommendations a little bit after that, is there some way of getting those to include ideas on funding to implement those recommendations? So that it's not just going to be straight up recommendations but that there will actually be approaches towards how we get the funding to implement that?

Steven Reel - Sure, we'll definitely include that. We've been in discussion with the City's Capital Planning Committee regarding a potential General Obligation Bond. We've also been meeting regularly with the U.S. Army Corps of Engineers with regard to Sea Level Rise but it's the same thing with regards to spending money at the Seawall. We've briefed them of the earthquake component. We're still in discussion.

Commissioner Katz - Is there anyone from any entity looking at Federal grant money that would be applied? So it's not just looking at bond money but possibly looking at other ways to fund it.

Steven Reel - We can certainly look into that once we understand the magnitude of the problem, if there is one. Let me clarify that. What types of fixes we'd be looking at and the cost range, then we can definitely look at the options for funding. If there's a large project, the funding is typically Federal.

On the waterfront, it's either coming through the U.S. Army Corps or occasionally FEMA although FEMA's typically post-disaster but we're in discussions.

Regarding the results, we have brought it up with several of our key tenants. We've discussed what we're planning, what we're looking at and we've asked them to share information which they have. We're very careful about releasing information because we don't want to scare anybody.

This type of engineering study when you're dealing with things that are so unknown, the subsurface geotechnical conditions, the earthquake shaking hazards, the structural conditions, you poke these things quite a few times, you get some strange results. You go back and you look at it. You poke it again. You look at it a different way. It takes consensus and engineering judgment among real experts in the field before you can come forward with good results.

Commissioner Katz – You're right and thank you.

Commissioner Adams - You're saying that because just recently I've been noticing, especially the last six months, all the building that's going on in the city, there are high rises everywhere. This report just makes me even think more. I've even felt personally that there are so many buildings and so much weight, that we're just going to sink into the ocean. We're building so much and it's so much weight with all these high rises, they're just throwing them up six and seven almost on every block. I feel that the weight is just so much. The force of gravity, only so much can give. Like anything, you go along so long, boom. Seeing this report makes me even think more about that. I appreciate this.

Steven Reel - I've got the same feeling. Every time I look at an aerial view of the city, I look at an aerial view of Manhattan. I spent a good part of my career designing structures. You look at each structure individually and you really never consider the impact as a whole upon an area.

13. MARITIME

- A. Informational presentation on the Port of San Francisco's Foreign Trade Zone No. 3 and overview of the U.S. Department of Commerce's Foreign-Trade Zones Program.

Jim Maloney, Port's Maritime Division - This will be my last presentation, unfortunately, on the Foreign Trade Zone Program. This is a result of the Commission meeting at your request in August that we presented on Chevron.

Foreign Trade Zone No. 3, the Port of San Francisco's Trade Zone was established in 1948 when the San Francisco Port Commission received a

Grant of Authority from the Foreign Trade Zones Board which is part of the U.S. Department of Commerce. As a grantee, with a Grant of Authority, the Port acts as a local franchise of the Foreign Trade Zone Program here in our local area.

I try to identify businesses that could benefit from the program in our area and we also work with them to vet the opportunity, see if indeed they could benefit and help them with the application process and activation and setting up their own Zone Program.

A General Purpose Zone was opened here in 1948 at Pier 45 originally to help with coffee imports. That was the original product that was used in the Program. Eventually that site was moved over to Pier 19 and 23. Recent changes that made the program more portable to businesses outside Port properties coupled with diminished FTZ activity and the difficulty of operationally handling large truck activity on the Embarcadero and Northern Waterfront led the Port to deactivate Piers 19 and 23 as a Foreign Trade Zone site back in 2009.

Port staff's priority continues to be leveraging the FTZ Program to assist with obtaining more cargo through Port facilities. Our secondary priority is using the FTZ as a business and economic development tool to assist Bay Area companies to be more competitive and grow local jobs and to encourage new businesses to locate in our area.

Our FTZ service area now covers all or parts of seven Bay Area counties. An FTZ user can utilize any port, including the Port of San Francisco, the Port of Oakland and SFO International Airport among them. Foreign Trade Zone No. 3 now serves four local businesses including Chevron, Valero, Expeditors International and Phillips 66. We have a fifth site that was approved by the Foreign Trade Zone board, Menzies Aviation down at SFO International Airport, they're the air freight operator. We're awaiting Customs to activate their site.

As an FTZ grantee, Foreign Trade Zone Board regulations require we operate Foreign Trade Zone No. 3 as a public utility meaning that we allow all interested parties access to the FTZ Program charging fees that reimburse us for our administrative costs of operating the Zone. We are also required to provide uniform treatment to all businesses in our area that operate in the Zone. Failure to adhere to these regulations can result in fines of up to \$1,000 per day or even risk loss of our Grant of Authority altogether.

Foreign Trade Zone sites are secure areas near U.S. Ports of Entry. They generally need to be within 60 miles or a 90 minute radius of a Port of Entry. While the Zones are all inside U.S. territory, foreign goods admitted to Zones are considered outside of U.S. Customs territory. Customs collects duties only when the goods leave the Zone and enter U.S. commerce.

Users can locate in a General Purpose Zone near the Port of Entry or can be declared a Subzone or a Usage Driven Site where the Zone benefits can come to the company where it is already operating. So outside of the Zone Port area.

Once up and running, Foreign Trade Zone users can do just about anything inside a Zone that can be done abroad. Some of these activities include manufacturing, assembling, processing, storing, relabeling, distributing, destroying, testing, exhibiting, etc. so a lot of activities can be performed. No retail or production of alcohol is allowed in Foreign Trade Zones however.

Foreign Trade Zone operations are still under jurisdiction of Federal regulatory agencies such as Customs and Border Protection, the Food and Drug Administration, U.S. Department of Agriculture, Fish and Wildlife etc. but regulations usually do not apply until goods leave the Zone for the U.S. market. This allows supply chain managers to upgrade their products while in the Zone rather than abroad before they arrive in the U.S. Again this is to promote U.S. activity.

The program allows companies to defer, reduce or eliminate duties on key components, materials and machinery. First of all, companies can eliminate duties on imported goods used by U.S. based companies to produce final goods that are then re-exported. Foreign source suppliers never enter U.S. commerce and because of that they don't need to also file for duty drawback which is a program that if a duty is paid on an item, and it is re-exported, they can possibly get duties reimbursed for them at a later date. It avoids that cumbersome administrative process.

The program offsets inverted tariffs which force U.S. producers to pay higher duties on imported parts and materials than on final products made abroad. So I want to give you an example of how the auto industry uses the Foreign Trade Zone Program, including Tesla's Foreign Trade Zone Site 18A down in Fremont. Essentially an automobile costs, it's assessed at 2.5% duty when it's imported into the United States.

Now a lot of the components that Tesla uses like bumpers or electronics or other components have a higher duty rate than the 2.5%. So it essentially penalizes or puts them on a less level playing field than producers that produce in other countries and import the final product into the United States.

With the Foreign Trade Zone Program and operating in a Foreign Trade Zone site, Tesla can import all those components that are normally a higher duty rate, and when the final automobile leaves the plant in Fremont, it's assessed the same rate, the 2.5% duty rate as a car that would be imported, say produced in Japan or any other country. It really levels the playing field for U.S. producers and again promotes jobs and commerce here in the United States.

All the cars that Tesla exports, Tesla dedicates 60% of their production to the export markets. They're trying to develop their export markets. For those 60% of the cars that are re-exported, none of the components would ever have to pay Customs duty. Those components never enter U.S. commerce. If there's scrap involved in any production process, there's always a certain amount of scrap and product that has to be destroyed, that product wouldn't pay a duty either.

Duty elimination on exports, duty reduction on components, and then another big benefit is duty deferral. A producer can wait to pay Customs duties until the product leaves the Foreign Trade Zone site so they can save on the cashflow of that money.

Foreign Trade Zones can also provide companies with supply chain efficiencies. One efficiency is a weekly entry and this is a benefit that is only available to Foreign Trade Zone users. An importer can take any number of shipments that come in through the airports or the seaports on a weekly basis. Instead of having to file a Customs entry for each individual shipment, they can wait and aggregate them into one weekly shipment.

It saves on the administrative costs of all those Customs entries but also a greater benefit is it allows them to reduce their merchandise processing fees which is a Federal fee that an importer has to pay based on the value of the products they're importing. That has a minimum of \$25 per Customs entry or a maximum of \$485 per entry. By aggregating a lot of entries into one, they can pay \$485 on one entry rather than a whole slew of them over the course of a week.

Foreign Trade Zone users can also take advantage of direct delivery of goods from the Port. Typically goods would have to wait at the Port for Customs clearance but with this, if they can get acceptance for direct delivery to their Foreign Trade Zone site, they can potentially save a day or two on the delivery of their goods which further reduces the supply chain.

Foreign Trade Zones also confirm a secure environment for doing business based on the regulatory requirements that they have. Foreign Trade Zones are considered a best practice under the Federal Customs-Trade Partnership Against Terrorism or C-TPAT.

Today Foreign Trade Zones are home to a thriving sector of the U.S. economy. The latest Foreign Trade Zone Board Annual Report to Congress was released this past August. The report showed that there are 179 active Zones similar to Foreign Trade Zone No. 3. There are 311 active manufacturing or production operations as of 2014. A total of 2,700 companies operated in Zones in 2014 which is up more than a quarter in just two years.

There's a lot of new activity. 420,000 Americans go to work every day in a Foreign Trade Zone. That job growth is far faster than the rest of the economy. Major users of the program include electronics manufacturers, automotive manufacturers, pharmaceutical, petrochemicals, machinery, equipment, apparel and footwear.

In 2014, exports reached a record of \$99 billion through Foreign Trade Zone sites. Now that's more than triple the level of 2009. If you look at it as a comparison, President Obama when he took office launched his National Export Initiative. His goal was to double exports from the U.S. in five years.

Unfortunately the initiative fell way short, but Foreign Trade Zones, the exports have more than tripled in that same period of time. Foreign Trade Zones have generated much faster growth in exports through their activities.

The Foreign Trade Zone Program has evolved continuously and has adjusted over the years to take into account the changing world. The program was enacted in 1934 to encourage foreign commerce while promoting activity in the U.S. to protect jobs. In other words, the U.S. was trying to promote international trade but try to get as much of that trade activity to take place here in the U.S. as possible, especially manufacturing.

In 1950, the program was opened up to allow manufacturing inside Zones. In 1980 the duty liability was reduced. Prior to that, any U.S. labor, overhead or domestic parts were also considered, their value was considered when assessing the Customs duty. Now that value add that's done here in the U.S. is not part of that value and is not assessed duty. The petroleum sector was later included in the 1990s and there's been dramatic growth in that sector since 1995.

In 2000, this Weekly Entry Benefit which allows reductions in payments of merchandising processing fee was allowed for the first time. In 2009, the Alternative Site Framework Program was introduced and that was a very dramatic change. The FTZ regulations received a major overhaul in 2012. These last two reforms have had a dramatic impact on the Foreign Trade Zones Program.

The new regulations that were published in 2012 now allow approval for a Foreign Trade Zone site in as little as 30 days for a warehouse distribution operation and as little as 120 days for most production and manufacturing operations. That's down from roughly eight to 12 months prior to the regulatory change.

A new form of administration called the Alternative Site Framework Program was introduced in 2009. This allows a Zone to cover a multi-county service area so that any county within the Zone within that service area would be eligible for the streamlined approval process. This Alternative Site Framework Program makes the Foreign Trade Zone benefits much more

portable to Zone sites throughout that seven county area. Whereas in the past, the activity had to occur at or near the port.

The Foreign Trade Zone No. 3 was approved for this program in 2010. We applied in 2009 to cover San Francisco and San Mateo counties. We were approved in 2010. Due to the demand or the interest in the program, we expanded that to include the additional counties of Marin, Contra Costa, Solano and parts of Napa and Sonoma counties and were approved for that in 2014.

Final site activation must be approved by Customs agents for security, inventory control and key employees. We work closely with U.S. Customs in the Bay Area and we have four agents that are focused on the Foreign Trade Zone Program, two here in the West Bay and the San Francisco Airport and then two in the East Bay that are based in Oakland. The number of businesses that have been approved is growing faster than ever.

The top commodities utilizing Foreign Trade Zone sites nationwide are the petroleum and crude refining industry, followed by auto parts and motor vehicles. Every auto assembly plant in the U.S. now operates within a Foreign Trade Zone environment including Tesla in Fremont. Other commodities are electronic products and parts, electrical equipment and parts, pharmaceuticals, machinery equipment and supplies and chemicals. We are using this as somewhat of a guide to direct our marketing efforts at the type of benefits that we think could benefit from the program.

The Bay Area companies utilizing the Foreign Trade Zone Program currently are Chevron, Valero, Tesla, Space Systems Loral, they produce satellites in the Silicon Valley area. Lam Research Corporation produces the equipment that helps with the manufacture of semi-conductors and they're located in Livermore. Expedito's International is a big logistics operator. They have a site in Brisbane. Phillip's 66 Refinery in Rodeo and Menzies Aviation who operates an air freight services company at SFO International Airport. They've been approved and we're now just waiting for activation from U.S. Customs.

We've seen strong interest in the Foreign Trade Zone Program in these past few years as a result of the program reforms. We've also been active in making presentations on the program to local businesses, ports and airports, City economic development officials, Chambers of Commerce and trade groups. We've also collaborated in marketing efforts with the other Bay Area Foreign Trade Zones in Oakland and San Jose.

We're collaborating with them to try to identify businesses that could benefit from the program given the idea that probably our business eco-structure in the Bay Area is similar throughout the Bay. At the Port Commission's request, we recently organized a public informational Foreign Trade Zone

forum that took place in Oakland in September in collaboration with the Oakland Foreign Trade Zone.

We did that in part so that we could utilize both of our contacts and get as much participation as we possibly could. We had about 65 businesses that came and participated in the forum. It was very well received and we got very strong renewed interest. Part of the benefit of holding forums like that is to educate partners, especially economic development folks and other folks that are out there working with businesses, and they can help us to identify businesses that potentially could and should be working with the Foreign Trade Zone Program.

The folks at Oakland and San Jose Foreign Trade Zones is that there is much untapped demand for the Foreign Trade Zone Program with existing Bay Area companies who could certainly benefit from the program. We should continue our outreach efforts to educate local businesses on the benefits on participating in the program and continue our efforts with these economic development folks to make sure that businesses that are looking to locate in the Bay Area are aware that this program exists and we're ready to do business with them.

Commissioner Adams - Great presentation Jim. This was your finale. You said that you had this meeting in Oakland and you mentioned the businesses. Was the community and Labor invited to that meeting and did they attend?

Jim Maloney - Yes, we did invite Labor as well. I don't believe we had anybody from Labor.

Commissioner Adams - Were there any members of the community people that got a chance to talk and to express themselves? Were they there or just mostly businesses?

Jim Maloney - We had folks from municipalities around the Bay. City of Richmond we reached out to. We reached out to most of the communities that we've been in touch with. We did outreach. I'm trying to think if anybody from the Labor was there. I can't recall.

Monique Moyer - I remember you saying community members on your list of attendees and members of San Jose. I don't remember seeing Labor, but I didn't memorize it.

Jim Maloney - Yes. I should've brought the list with me

Commissioner Adams - Okay. No worries. Would you know what the tax breaks are, say for Tesla, for these oil companies, for Space Systems, that they receive by getting into the Foreign Trade Zones? Secondly, maybe even Director Moyer can help me, when you decide and somebody puts in a

permit to go into the Foreign -- do you do a background check on these companies?

What about if they are not a good corporate citizen? How do you deal with corporations that have bad behavior and they're not good and they may not be good for the community? I understand on the business aspect. Some companies are only about making money. They could care less about the community. They're only in it for themselves. Do you look at them? Do you or Monique look at everything and screen them and go, "Have they had a reputation for bad behavior? Are they good corporate citizens?" Do you do that?

Jim Maloney - In terms of your first question on the tax break, the benefit they would accrue would be on whatever duty savings that they could achieve through either deferring payment of their duty or reducing the duty, say by being able to utilize the duty amount of the final product rather than the components which are often higher than the final product or in anything that's re-exported, could eliminate duties. Duty deferral, elimination or reduction are three of the big ones. There are a number of companies, especially companies that have time sensitive or high value items will take advantage of the weekly entry savings and reduce their administrative costs plus the merchandise processing fee which again is a Federal fee on anything that's imported. Those are the main savings that a company would achieve through the program. They're all Federal fees that would normally go into the U.S. Treasury.

In terms of vetting, what we do is work with a company first of all to see if they could benefit from the program. In terms of vetting them for corporate bad behavior, it's not a role that we directly have played. It's something we could certainly consider in the future, however we're, in a way, the middleman here. We help them put together their application to the Foreign Trade Zones Board who essentially is the one who evaluates the company and the activities that they're trying to achieve and will be the final arbiter. They'll decide whether the company can be approved to operate a Foreign Trade Zone site.

Within the 120 day process, manufacturers have an extra level of approval that needs to be made. They have to also apply for Production Authority and that allows for a public comment period, and that's why that period is 120 days rather than 30 days. There's allowance for the public to make comment on a business that's applying for Zone status.

We're required to, not only is it published in the Federal Register that this company has applied and applied for Production Authority, we also have to on a local basis advertise in a local newspaper that this company has applied for Zone status so that hopefully local companies or local community members can weigh in on the application.

Customs and Border Protection has the final say on activation of the site. They also weigh in on whether they feel this particular business is capable of operating, has the appropriate security, has the appropriate personnel that have been vetted, and has the appropriate access controls for the Zone. There are a few levels of approval that are required and there is at least on companies that are manufacturing or producing, a public comment period that's allowed for. The Foreign Trade Zone board does take into account public comments.

Commissioner Adams - But you understand my concern about corporate bad behavior and not all companies would be a good fit, in my opinion, right? Hypothetically, there are some places in the United States that don't want a Wal-Mart in their community. They just go, "Not good corporate customer." They just wouldn't want them in there. Other places would love to have a Wal-Mart there. It's a bone of contention.

I also think there needs to be a clause there or something that companies have to be held to a standard just like people are held to a standard and if they have a reputation for corporate bad behavior and then that should be said and maybe they wouldn't be a good fit. That's something to think about going forward, because not all companies have good corporate behavior and they need to be accountable especially when we're talking about a Foreign Trade Zone and we list all these companies here.

It's nice to list them. We could take accolades, we've got all these companies but not all companies are good corporate citizens. It reflects on our reputation too as a Port if someone doesn't have a good corporate reputation and they have a reputation for bad behavior.

Commissioner Brandon - Thank you very much for that report and it's great that the program has been so successful and has grown so much over the years. I appreciate learning more about the Foreign Trade Zone and how it operates and what exactly it does. Thank you very much and good luck.

Jim Maloney - Thank you very much. I appreciate that.

Commissioner Katz - Thank you for the summary. It was actually useful and each time I learn a little bit more about the program. It was very helpful so I appreciate you coming back and presenting to us and hopefully others saw the presentation. I'll put on my legal hat for a moment and follow up on Commissioner Adam's point. The problem we face is under the rules and regulations to serve as a Foreign Trade Zone, we can't make any determination once somebody applies to utilize the designation. We have no say one way or the other whether we like them or not or anything else, is that correct? Either we aren't a Foreign Trade Zone or we are and we have to abide by the Federal rules that require us to make it available to anyone. Is that accurate?

Jim Maloney - Yes, good point. We've got the two regulations that I cited because they're two very important ones for us grantees because under the new regulations we can be fined, there can be very real penalties if we don't follow through on them properly. One is public utility. We need to operate as a public utility and allow all businesses that want access to the Zone benefits to be able to apply through our Zone, which puts the onus on the Foreign Trade Zones Board and Customs to decide whether or not they're going to accept or they're going to approve the site.

Commissioner Katz - Do we have any ability, as Commissioner Adams pointed out, to at least weigh in?

Monique Moyer - We neither approve nor disapprove an applicant's acceptability as a Foreign Trade Zone beneficiary. We've been granted the status to be the clearinghouse. We have the right to not do business with someone if they refuse to sign our Operating Agreement. Is our Operating Agreement approved by the Foreign Trade Zone Board?

Jim Maloney - No, the Operations Agreement is an agreement between the user and the Port alone. They don't weigh in on that.

Monique Moyer - Could we put standards in that agreement or would that be subject to his fair utility --

Jim Maloney - That's a good point.

Monique Moyer - Maybe that's something we need to explore.

Jim Maloney - In that particular document, we typically, among many other protections, we also state that the user must abide by all local, state and federal regulations and if they don't, that's a cause for us to terminate our Operating Agreement with them. Essentially they can't operate a Zone without having an Operations Agreement with their grantee. Essentially, yes. Thank you for clarifying Monique. Through the Operations Agreement, we can put clear language in there that states that we expect them to act in conformance with all regulations and if they don't, then that could be cause for termination. Our language is pretty strong in our agreements.

Monique Moyer - I think Commissioner Adams is getting to more social norms than legal norms. I think you're referring to more legal norms.

Jim Maloney - Right.

Monique Moyer - Are they breaking the law? Yes or no? That's pretty clear. I think Commissioner Adams was talking a little less quantifiable. Commissioner Adams, we need to explore that further and see how far we can go.

Commissioner Adams - Thank you and that's what I was asking for, accountability.

Jim Maloney - The other regulation that is pretty important is uniform treatment as well. We need to treat like users in a like manner.

Commissioner Katz - Have we been able to use our Foreign Trade Zone status to work with the Mayor's Office of Economic Development or other entities to attract more businesses into our area in particular? I know our Zone is pretty broad. You mentioned Tesla down in Fremont. Are there any other large manufacturers that we would be able to use this as a tool to attract them into our areas or have we done that kind of outreach so that they do some of the marketing and promotion of the Trade Zone?

Jim Maloney - Yes, we have done a lot of outreach, reaching out to the Mayor's Office of Economic Workforce Development or the San Francisco Chamber of Commerce or ChinaSF, San Francisco's Center for Economic Development, folks like that.

We've met with them, talked to them about the program, let them know what it's all about and encourage them to help us identify not only businesses that are currently located in San Francisco or our area that can benefit, but also be aware that when they're talking to businesses that may be looking to locate here in our area, that they should make them aware that this program is available.

It's one more tool in the economic development quiver so to speak. We're trying to make sure all the economic development folks around the Bay Area know about the program and use that. We reached out to the Chambers of Commerce and City Municipal Managers, anybody that's out there looking to help develop and bring in business to California. We also are in touch with the Governor's Office GO-Biz. In fact, they've contacted us on a few occasions to ask if our Foreign Trade Zone covers certain areas. There's a big aircraft manufacturer that's going to be setting up shop up in Vacaville and they'll need to have access to the Foreign Trade Zone Program. There was a company that was looking to locate, an electric motorcycle manufacturer that was looking to locate in San Leandro that would need access.

We've worked with manufacturing groups like SFMade, one on one MFG which is based along the Petaluma/Santa Rosa corridor, other manufacturers' groups as well with the idea that about 75% of Foreign Trade Zone users are manufacturers and they can probably best benefit from the program.

We've been trying to get up into the wine country to find out how the program could benefit that industry. In fact we met with a big company called Constellation Brands. They own a good number of wineries throughout

California and the U.S. They own other wine and spirit labels like Black Velvet, Corona Beer. They do importing and bottling and all kinds of interesting stuff in addition to making their own wines here in California. They've got sites not only in our area, but out in the Central Valley and Kentucky and Upstate New York so we've been working with those areas to see how they can benefit.

We're working with outside consultants as well. We have a whole list of Foreign Trade Zone consultants that can really do deep dives and help these companies do a feasibility analysis to determine whether they can benefit. We work closely with them because they understand the program deeper than anybody and we're actively engaged with a couple of consultants that are helping us understand how we might be able to utilize this program for the wine industry which of course is big in our area.

Commissioner Adams - That's good. Thank you, Jim. There were a lot of information and they were all informative.

Commissioner Katz - Thank you so much. I appreciate all the hard work you did on this and all of your hard work at the Port.

Jim Maloney - It's a labor of love. It's been my pleasure. It's been a wonderful challenge. Thank you.

14. NEW BUSINESS

Commissioner Katz - I'd like to add some of the points that Corinne had brought up regarding seeking out alternative sources.

Monique Moyer - We've been doing that already and you'll hear more about that as the project develops.

Commissioner Katz - Yes, I assumed that was in the works but wanted to confirm it.

15. ADJOURNMENT

ACTION: Commissioner Brandon moved approval to adjourn the meeting; Commissioner Adams seconded the motion. All of the Commissioners were in favor.

Port Commission President Leslie Katz adjourned the meeting at 6:19 p.m.



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NOTICE OF CANCELLED MEETING

NOTICE IS HEREBY GIVEN THAT THE

**OCTOBER 27, 2015
REGULAR PORT COMMISSION MEETING
HAS BEEN CANCELLED**

**The Next Regular Port Commission Meeting is
scheduled on:**

TUESDAY, NOVEMBER 10, 2015

2:00 P.M. – CLOSED SESSION

3:15 P.M. - OPEN SESSION

Port Commission Hearing Room

Second Floor, Ferry Building

San Francisco, CA 94111

**San Francisco Port Commission
Pier 1, San Francisco, CA 94111
(415) 274-0406**

**FORWARD CALENDAR
(TARGETED COMMISSION MEETING, SUBJECT TO CHANGE)**

NOVEMBER 10, 2015

	FACILITY/POLICY	ITEM	TITLE
1	Pier 29	Informational	Presentation and approval to issue Request for Proposals (RFP) for a Retail Leasing Opportunity at the Pier 29 Bulkhead Building, located at Chestnut Street and The Embarcadero
2	Portwide	Informational	Review of San Francisco Public Works request for proposals for Public Toilets and advertising Kiosks, several locations on Port property
3	Pier 70	Informational and Action	Presentation on the proposed Infrastructure Financing Plan (IFP) for Pier 70 Subarea G-1 (Pier 70 Historic Core) and approval of the Port-Controller Memorandum of Understanding to implement the Pier 70 Historic Core IFP
4	Bayview Gateway	Action	Approval to select an artist as recommended by the San Francisco Arts Commission through the Art Enrichment program and approve Memorandum of Understanding between the Port and San Francisco Arts Commission for the use of Port property for the Bayview Gateway Art installation
5	Portwide	Action	Authorization to advertise for competitive bids for Construction Contract No. 2776, Five Year Maintenance Dredging Project
6	Quint Street	Action	Authorization to advertise for competitive bids for Construction Contract No. 2764, Quint Street Lead Reconstruction Project
7	Pier 80	Action	Direction to staff to work with the Office of Economic and Workforce Development to formulate a parking management strategy that would entail the use of Port property at 19th and Illinois Streets and a portion of the Western Pacific property north of Pier 80 for overflow parking available for the proposed Golden State Warriors mixed-use arena project, if approved

DECEMBER 8, 2015 – Please note change of meeting location from Ferry Building to James R. Herman Cruise Terminal at Pier 27 for the December meeting

	FACILITY/POLICY	ITEM	TITLE
1	Pier 27	Informational	Update on Special Events Activity at Pier 27
2	Portwide	Informational	Update by San Francisco Bay Area Super Bowl 50 Host Committee on Super Bowl 50 Activity affecting Port of San Francisco
3	Portwide	Informational	Presentation on the Port's 2015-2020 Strategic Plan

4	Pier 31½	Informational	Presentation regarding business terms with the National Park Service for a long-term Pier 31½ ferry embarkation site to Alcatraz Island
5	SWL 321, SWL 323/324, Piers 19½, 29½ and 23	Informational	Presentation on the results of the Request for Proposals for a three year lease with two one-year options to renew for three surface parking lots at: (i) Seawall Lot 321, bounded by the Embarcadero, Front Street and Green Street; (ii) Seawall Lot 322-1 bounded by Broadway Street, Front Street and Vallejo Street; and (iii) Seawall Lot 323/324 bounded by the Embarcadero, Broadway Street and Davis Street; (iv) interim parking in Pier 19½; (v) interim parking in Pier 29½; and (vi) interim parking in Pier 33
6	Seawall Lot 322-1	Informational and Action	Presentation on SWL 322-1 project update and approval of revised Memorandum of Understanding with the San Francisco Mayor's Office of Housing and Community Development for the development of affordable housing on Seawall Lot 322-1, located at Broadway and Front Streets
7	Portwide	Action	Approval of the Operations Agreement with Chevron U.S.A. Inc. ("Chevron") granting Chevron renewed authority to operate its refinery site in Richmond, California, as a Foreign Trade Zone No. 3 subzone site for a term of five years, with three options to extend for five years each and outlining conditions for the operation of the subzone site
8	Portwide	Action	Approval of San Francisco Public Works vendors proposals for Public Toilets and advertising Kiosks, support for selection of vendor, affecting several locations on Port property

JANUARY 12, 2016

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Presentation by San Francisco Municipal Transportation Commission on the Waterfront Transportation Assessment
2	Portwide	Informational	Presentation on the Bay Area bike share program
3	Portwide	Informational	Presentation by Director of The Commission on the Status of Women regarding "No Traffic Ahead" Campaign for Super Bowl 50
4	Seawall Lots 321, 322-1, 323/324, and Piers 19½, 29½, and 33	Action	Authorization to negotiate lease for a three year lease with two one-year options to renew for three surface parking lots at: (i) Seawall Lot 321, bounded by the Embarcadero, Front Street and Green Street; (ii) Seawall Lot 322-1 bounded by Broadway Street, Front Street and Vallejo Street; and (iii) Seawall Lot 323/324 bounded by the Embarcadero, Broadway Street and Davis Street;

			(iv) interim parking in Pier 19½; (v) interim parking in Pier 29½; and (vi) interim parking in Pier 33
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DATE TO BE DETERMINED

	FACILITY/POLICY	ITEM	TITLE
1	Portwide	Informational	Presentation on the Results of the Earthquake Vulnerability Study of the Northern Waterfront Seawall
2	Pier 70	Action	Authorization to advertise for competitive bids for Construction, Crane Cove Park Project Phase 1
3	Pier 94 and 96	Action	Authorization to advertise for competitive bids for Construction, Pier 94-96 Storm Drain and Outfall repairs
4	Loading Dock near Tulare Street	Action	Authorization to advertise for competitive bids for Construction, Copra Crane Refurbishment
5	Pier 35	Action	Authorization to advertise for competitive bids for Construction, Pier 35 Substructure Repairs
6	Pier 80	Action	Approval of Marine Terminal Agreement at Pier 80
7	Pier 31½	Action	Approval of business terms leading to a Memorandum of Understanding with the National Park Service for a long-term Pier 31½ ferry embarkation site to Alcatraz Island

**NOVEMBER / DECEMBER 2015
CALENDAR OF UPCOMING PORT MEETINGS – OPEN TO THE PUBLIC**

DATE	TIME	GROUP	LOCATION
Oct. 27 CANCELLED	2:00 PM Closed Session 3:15 PM Open Session	Port Commission	Port Commission Hearing Room/Ferry Bldg.
Nov. 10	2:00 PM Closed Session 3:15 PM Open Session	Port Commission	Port Commission Hearing Room/Ferry Bldg.
Dec. 8	2:00 PM Closed Session 3:15 PM Open Session	Port Commission	James R. Herman Cruise Terminal at Pier 27

NOTES:

The San Francisco Port Commission meets regularly on the second and fourth Tuesday of the month at 3:15 p.m., unless otherwise noticed. The Commission Agenda and staff reports are posted on the Port's Website @ www.sfport.com. Contact Amy Quesada at 274-0406 or amy.quesada@sfport.com

Full Commission meetings are replayed on San Francisco cable via SFGovTV2 and streamed on the Internet. Broadband service is recommended for access. The Port Commission is generally broadcast on SFGovTV2, cable channel 78 on the 2nd & 4th Thursday of the month at 9 p.m. SFGovTV archives include a recording of each meeting, an agenda with links to the specific portion of the meeting, a file containing all closed captions for the deaf from the meeting and an MP3 recording of the meeting. The Port Commission meetings can be viewed online at http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=92

The Fisherman's Wharf Waterfront Advisory Group (FWWAG) meets regularly on a bi-monthly basis, on the third Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf. Contact Rip Malloy @ 274-0267 or rip.malloy@sfport.com

The Maritime Commerce Advisory Committee (MCAC) meets every other month, on the third Thursday of the month, from 11:30 a.m. to 1:00 p.m. @ Pier 1. Contact Jim Maloney @ 274-0519 or jim.maloney@sfport.com

The Mission Bay Citizens Advisory Committee meets on the second Thursday of the month at 5:00 p.m. in the Creek Room at Mission Creek Senior Building located at 225 Berry Street in San Francisco (along the Promenade just beyond the library.) Contact Hilde Myall @ 749-2468 or hilde.myall@sfgov.org. For matters related to the proposed Golden State Warriors Event Center, the main contact is Adam Van de Water at MOED Adam.VandeWater@sfgov.org

The Northeast Waterfront Advisory Group (NEWAG) meets regularly on a bi-monthly basis on the first Wednesday of the month from 5:00 p.m. to 7:00 p.m. in the Bayside Conference Room @ Pier 1. Contact Diane Oshima @ 274-0545 or diane.oshima@sfport.com

The Central Waterfront Advisory Group (CWAG) meets monthly on an as-needed basis, generally on the third Wednesday of the month from 5 to 7 p.m. in the Bayside Conference Room at Pier 1. Contact Mark Paez @ 705-8674 or mark.paez@sfport.com

The Southern Waterfront Advisory Committee (SWAC) meets at the last Wednesday of the month as needed from 6:00 to 8:00 p.m. Location to be determined. Contact Kanya Dorland @ 274-0264 or kanya.dorland@sfport.com and/or David Beaupre @ 274-0539 or david.beaupre@sfport.com

The Waterfront Design Advisory Committee (WDAC) meets jointly with the Design Review Board of the Bay Conservation and Development Commission on the first Monday of the month at BCDC, 50 California Street, Rm. 2600, at 6:30 p.m. The Committee meets as needed on the fourth Monday of the month at 6:30 p.m. in the Bayside Conf. Rm. @ Pier 1. Contact Dan Hodapp @ 274-0625 or dan.hodapp@sfport.com

ACCESSIBLE MEETING INFORMATION POLICY

FERRY BUILDING:

The Port Commission Hearing Room is located on the second floor of the Ferry Building. The main public entrance is from the west (Embarcadero) side and is served by a bank of elevators adjacent to the historic staircase. Accessible public restrooms are on the first floor at the northeast end of the building as well as on the second floor across the lobby from the Port Commission Hearing Room. The main path of travel to the Port Commission Hearing Room is equipped with remote infrared signage (Talking Signs). The Port Commission Hearing Room is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) is available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market & Spear Streets. Accessible MUNI lines serving the Ferry Building area are the F-Line, 9, 31, 32 and 71. For more information about MUNI accessible services, call (415) 923-6142. The nearest accessible parking is provided in the following off-street pay lots: 3 spaces in the surface lot on the west side of the Embarcadero at Washington Street.

Hourly and valet parking is available in the Pier 3 lot. This lot is accessed through the Pier 3 bulkhead building entrance on the east side of the Embarcadero. This lot is located on the pier deck; adjacent to the ferry boat Santa Rosa. Additional covered accessible off-street pay parking is available in the Golden Gateway Garage, which is bounded by Washington, Clay, Drumm and Battery Streets. Entrance is on Clay St. between Battery and Front Streets. There is no high-top van parking. Metered street parking is available on the Embarcadero, Washington, Folsom & Drumm Streets.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

Disability Accommodations:

To request assistive listening devices, sign language interpreters, readers, large print agendas or other accommodations, please contact Wendy Proctor, Port's ADA Coordinator at (415) 274-0592 or via email at wendy.proctor@sfport.com or Amy Quesada, Commission Secretary, at (415) 274-0405 or via email at amy.quesada@sfport.com at least 72 hours in advance of the hearing. The Port's TTY number is (415) 274-0587.

Language Assistance

311 Free language assistance / 免費語言協助 / Ayuda gratuita con el idioma / Бесплатная помощь переводчиков / Trợ giúp Thông dịch Miễn phí / Assistance linguistique gratuite / 無料の言語支援 / 무료 언어 지원 / ମା'ଂ ଗା "ନା"ନା'ନା / Libreng tulong para sa wikang Tagalog

NOTICES

Know Your Rights Under the Sunshine Ordinance:

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Sections 67.1 et seq. of the San Francisco Administrative Code) or to report a violation of the ordinance, contact Chris Rustom by mail: Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at (415) 554-7724; by fax at (415) 554-7854 or by email at soff@sfgov.org. Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from Mr. Rustom or by printing Sections 67.1 et seq. of the San Francisco Administrative Code on the Internet, at <http://www.sfgov.org/sunshine>.

Prohibition of Ringing of Sound Producing Devices:

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic device.

Lobbyist Registration and Reporting Requirements:

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Campaign & Government Conduct Code Sections §2.100 – 2.160) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 30 Van Ness, Suite 3900, San Francisco, CA 94102, phone (415) 581-2300 or fax (415) 581-2317; web site: www.sfgov.org/ethics.

CEQA Appeal Rights under Chapter 31 of the San Francisco Administrative Code:

If the Commission approves an action identified by an exemption or negative declaration as the Approval Action (as defined in S.F. Administrative Code Chapter 31, as amended, Board of Supervisors Ordinance Number 161-13), then the CEQA decision prepared in support of that Approval Action is thereafter subject to appeal within the time frame specified in S.F. Administrative Code Section 31.16. Typically, an appeal must be filed within 30 calendar days of the Approval Action. For information on filing an appeal under Chapter 31, contact the Clerk of the Board of Supervisors at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102, or call (415) 554-5184. If the Department's Environmental Review Officer has deemed a project to be exempt from further environmental review, an exemption determination has been prepared and can be obtained on-line at <http://sf-planning.org/index.aspx?page=3447>. Under CEQA, in a later court challenge, a litigant may be limited to raising only those issues previously raised at a hearing on the project or in written correspondence delivered to the Board of Supervisors, Planning Commission, Planning Department or other City board, commission or department at, or prior to, such hearing, or as part of the appeal hearing process on the CEQA decision.

